

Hathway Cable and Datacom Limited
Financial Statements
2019-20

Independent Auditor's Report

To the Members of Hathway Cable and Datacom Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Hathway Cable and 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 the 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), its 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.

Emphasis of Matter

We draw attention to Note 4.18, in which it is stated that the Board of directors of the Company has approved a Composite Scheme of Amalgamation and Arrangement involving the Company, Den Networks Limited (Den), Network18 Media & Investments Limited (Network18), TV18 Broadcast Limited (TV18), Media18 Distribution Services Limited (Cable Co.), Web18 Digital Services Limited (ISP Co.) and Digital18 Media Limited (Digital Co.) and their respective shareholders and creditors ("Scheme"). The Scheme provides for amalgamation of the Company, Den and TV18 with Network 18 and subsequent consolidation of Cable, ISP and Digital businesses of the amalgamating companies by way of transfer of relevant undertakings to the respective companies. On amalgamation, the shareholders of the Company will be issued shares of Network 18. The appointed date of the Scheme is February 1, 2020, however, it will take effect upon receipt of requisite approvals and fulfilment of conditions stated in the Scheme. Pending the Scheme coming in to force, no effect of the same have been considered in this standalone financial statements of the Company. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How our audit addressed the Key Audit Matters
1.	<p>Valuation and Disclosure of Deferred Tax Assets</p> <p>The Company has a significant amount of deferred tax assets, mainly resulting from unused tax losses and unabsorbed depreciation allowance. The accounting for deferred tax assets is significant to our audit since the Company makes judgments and estimates of forecasted taxable income in relation to the realization of deferred tax assets. As at March 31, 2020, the deferred tax assets are valued at ₹ 176.62 crores. Further reference is made to Note 2.06</p>	<p>Our procedures included, amongst others:</p> <p>We tested management's assumptions used to determine that there is a reasonable certainty that deferred tax assets recognized in the balance sheet will be realized. This is based upon forecasted taxable income and the periods when the deferred tax assets can be utilized. In this regards, we also considered recent changes in the Income tax laws and decisions taken by the management pursuant to such changes. The forecasts were evaluated by us considering especially the performance of the Company post capital infusion, related business plans approved by the management and regulatory changes. Such evaluation included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies. We have also tested the effectiveness of the Company's internal controls around the valuation of deferred tax assets. We also assessed the adequacy of the Company's disclosures included in Note 2.06</p>
2.	<p>Impairment of Property, Plant and Equipment</p> <p>There is a risk of impairment on the Company's property, plant and equipment (PPE) due to the nature of its PPE and the business environment surrounding the PPE. As on March 31, 2020, the carrying amount of PPE was ₹ 771.56 crores which represent 13.99% of total assets.</p> <p>The management determines at the end of each reporting period the existence of any objective evidence that the Company's PPE may be impaired. If there are indicators of impairment, the deficit between the recoverable amount of the PPE and its carrying amount would be recognised as impairment loss in Statement of Profit and Loss.</p> <p>The process of identifying indicators of impairment and determining the recoverable amount of the PPE by management requires significant judgement and estimation. The determination of the recoverable amounts requires estimates of forecasted revenues, growth rates, profit margins, tax rates and discount rates.</p> <p>As determined by the management, the carrying amount of PPE was impaired by ₹ 42.80 crores in the current year, as disclosed in Note 3.06 to the standalone financial statements.</p>	<p>Our procedures included, amongst others:</p> <p>We assessed the determination of the recoverable amount of the PPE based on our understanding of the nature of the Company's business and the economic environment in which its PPE operate.</p> <p>We reviewed the Company's historical performances and held discussions with management to understand their assessment of the Company's future performance. This included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies and cost initiatives. We assessed management's estimates applied in the value-in-use model based on our knowledge of the Company's operations and compared them against historical forecasts and performance and tested the mathematical accuracy of the value-in-use model. We evaluated the sensitivity of the outcomes by considering the downside scenarios against changes to the key assumptions. We also assessed the adequacy of the related disclosures in the notes to the standalone financial statements</p>

Sr. No	Key Audit Matters	How our audit addressed the Key Audit Matters
3.	<p>Impairment of carrying cost of investments and net receivables from subsidiaries, joint ventures and associates</p> <p>Refer to Notes 1.07, 1.11 and 1.12 for the relevant accounting policy and the critical judgements, assumptions and estimation uncertainties used in impairment assessment of cost of investments in subsidiaries, joint ventures and associates and net receivables due from such entities at the reporting year end. Refer to Note 2.03 and 4.13 for the investment in subsidiaries, joint ventures and associates and amount due from such entities respectively.</p> <p>Total carrying cost of investment in subsidiaries, joint ventures and associates amounted to ₹ 1,089.32 crores and amount due from subsidiaries, joint ventures and associates amounted to ₹ 81.45 crores. As these balances are significant, they are a key focus area for our audit.</p> <p>For the non-performing subsidiaries, joint ventures and associates or if they have significant negative equity balances, the Company will have exposure to loss on cost of investments and amount due from the subsidiaries, joint ventures and associates. Any impairment losses on the investments in subsidiaries, joint ventures and associates and the related receivables from these entities have to be recognised in the standalone financial statements.</p> <p>Management made a comparison of carrying values of the subsidiaries, joint ventures and associates with the Company's share of net assets or liabilities of the subsidiaries, joint ventures and associates to identify indications of impairment loss on these investments and receivables due from them. A total exposure of ₹ 1,170.77 crores was considered. This amount comprised ₹ 8.80 crores impairment of cost of investment in subsidiaries, joint ventures and associates and ₹ 59.50 crores impairment of net receivables from subsidiaries, joint ventures and associates. The total impairment loss allowance for the year was ₹ 68.30 crores</p>	<p>Our procedures included, amongst others:</p> <p>We have reviewed and considered management's assessment on the net assets or liabilities of these entities. We have also assessed management's basis to determine potential impairment in both financial and non-financial assets of these entities. We also had discussions with management on the prospects and future plans of these entities. We have reviewed the valuation reports of key components carried out by the independent valuers and considered the appropriateness of the key assumptions used in the valuation for impairment assessment of investments in key components.</p> <p>We have also assessed the adequacy of the disclosures made in the standalone financial statements.</p>

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 that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 standalone 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
 - 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 4.02(g) to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 4.02(f) to the standalone financial statements; and
 - iii. There has been no delay in transferring amounts which were 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
Membership No. 060639
UDIN: 20060639AAAADE9418

Place: Mumbai
Dated: 23rd April 2020

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 proper records of Property, Plant and Equipment showing particulars of assets including quantitative details and situation except in case of certain types of distribution equipments like cabling, line equipments, access devices with end users. In view of the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;
- (b) Distribution equipments like cabling and other line equipments of selected networks were verified. The management plans to verify balance networks in a phased manner. Property, Plant and Equipment, other than distribution equipments and access devices with the end users were physically verified during the year based on verification programme adopted by the management. As per this programme, all assets will be verified at least once in a period of three years. The management has represented that physical verification of access devices with the end users is impractical; however, the same can be tracked, in case of most of the networks, through subscribers management system;
The Company is in the process of reconciling book records with outcome of physical verification, wherever physical verification was carried out and have accounted for the discrepancies observed on such verification;
- (c) The Company does not hold any immovable properties which are freehold. In respect of immovable properties of land and building that have been taken on lease and classified as Right of Use Asset in the standalone financial statements, the lease agreements are in the name of the Company;
- (ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable;
- (b) The discrepancies noticed on physical verification as compared to the book records were not material having regards to size and nature of operations and have been properly dealt with in the books of account;
- (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) Based on the audit procedures applied by us, the Company has complied with the terms of the provisions contained in the section 185 or section 186 of the Act in respect of investment made during the year under audit. The Company has not granted loans, guarantees and made securities, during the year under audit, which require compliance in terms of the provisions contained in the section 185 or section 186 of the Act. The management has, based on legal opinion, represented that overdue book debts are not in the nature of loan and hence do not fall within the scope of section 185 of the Act. In such circumstances, para 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 prescribed maintenance of cost records under section 148(1) of the Act, for the services rendered by the Company. We have broadly reviewed the books of account maintained and in our opinion; prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete;
- (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, sales tax, service tax, duty of customs, duty of excise, value added 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) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited with the concerned authorities on account of dispute are given below:

Sr No	Name of the Statute	Nature of the Dues	Amount involved (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
1	Karnataka Value Added Tax Act, 2003	Value Added tax	0.57	April 2012 - March 2013	Deputy Commissioner of Commercial taxes, (Audit)
2	West Bengal Value Added Tax Act, 2003	Entry tax	0.03	April 2015 - March 2016	Senior Joint Commissioner of Sales Tax
3	West Bengal Value Added Tax Act, 2003	Entry tax	0.01	April 2014 - March 2015	Senior Joint Commissioner of Sales Tax
4	West Bengal Value Added Tax Act, 2003	Entry tax	0.05	April 2016 - March 2017	Senior Joint Commissioner of Sales Tax
5	West Bengal Value Added Tax Act, 2003	Value Added Tax and Central Sales Tax	0.01	April 2016 - March 2017	Senior Joint Commissioner of Sales Tax
6	Income tax Act, 1962	Income Tax (Penalty)	0.16	April 2014- March 2015	Commissioner of Income Tax (Appeals)
7	The Telangana Value added Tax 2005	Value Added Tax	0.15 ¹	April 2015 - March 2016	Appellate Joint Commissioner (ST)
8	The Custom Act, 1962	Custom duty	17.90 ² (includes penalty ₹ 8.95)	April 2011- March 2012	Customs and Excise and Service Tax Appellate Tribunal (CESTAT)

¹ Amount paid ₹ 0.02 crores

² Amount paid ₹ 0.67 crores

- (viii) Based on our audit procedure and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions, banks, and government. The Company has not issued any debentures;
- (ix) In our opinion and according to the information and explanations given to us and based on overall examination of records, the term loans have been applied for the purpose for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments);
- (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 paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act;
- (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 to the Company;
- (xiii) According to the information and explanations given to us and based on our examination of records of the Company, the Company is in compliance with the provisions of section 177 and 188 of the Act, where applicable, for transactions with the related parties and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current financial year. However, during the previous financial year 2018-19, the Company had made preferential allotment of shares and the requirement of section 42 of the Act, as applicable, had been complied with. According to the information and explanations given by the management, out of the funds so raised, ₹ 99.64 crores have been utilized for the purposes for which those were raised and balance funds to the extent of ₹ 2940 crores pending such utilization, have been temporarily invested in Fixed Deposits with Banks;

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- (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 or persons connected with them covered under section 192 of the Act. 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 to the Company; and
- (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
Membership No. 060639
UDIN: 20060639AAAAD9418

Place: Mumbai
Dated: 23rd April 2020

Annexure B to the Independent Auditor's Report

Referred to in paragraph 2(f) 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

Opinion

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.

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.

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.

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

K.Y. Narayana
Partner
Membership No. 060639
UDIN: 20060639AAAADE9418

Place: Mumbai
Dated: 23rd April 2020

Standalone Balance Sheet As At March 31, 2020

CINL64204MH1959PLC011421

		(₹ in Crores unless otherwise stated)	
	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, Plant and Equipment	2.01	771.56	751.75
Capital work in progress		26.61	51.56
Other Intangible assets	2.02	74.16	51.98
Financial Assets			
Investments	2.03	1,083.74	1,083.73
Loans	2.04	7.69	23.91
Other financial assets	2.05	4.36	13.03
Deferred tax assets (net)	2.06	176.62	267.67
Other Non-current assets	2.07	46.91	43.95
Total Non-current assets		<u>2,191.65</u>	<u>2,287.58</u>
Current assets			
Inventories	2.08	11.79	12.98
Financial Assets			
Investments	2.09	27.72	2,993.56
Trade receivables	2.10	0.21	6.50
Cash and cash equivalents	2.11	1,050.34	53.12
Bank balances other than Cash and cash equivalents	2.12	2,000.14	50.00
Loans	2.04	26.02	80.25
Other financial assets	2.05	132.19	1.98
Current Tax Assets (Net)	2.13	42.59	42.54
Other current assets	2.07	34.10	29.61
Total Current assets		<u>3,325.10</u>	<u>3,270.54</u>
Total Assets		<u>5,516.75</u>	<u>5,558.12</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2.14	354.02	354.02
Other Equity	2.15	3,964.70	3,948.03
Total Equity		<u>4,318.72</u>	<u>4,302.05</u>
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Borrowings	2.16	43.99	800.18
Other financial liabilities	2.17	12.05	9.63
Provisions	2.18	2.18	2.78
Other Non-current liabilities	2.19	2.12	3.38
Total Non-current liabilities		<u>60.34</u>	<u>815.97</u>
Current liabilities			
Financial Liabilities			
Borrowings	2.16	908.58	2.40
Trade payables			
Total outstanding dues of:			
-Micro & small enterprises		-	-
-Other		44.28	44.40
Other financial liabilities			
Total outstanding dues of:			
-Micro & small enterprises	2.17	0.25	-
-Other	2.17	79.06	308.49
Other current liabilities	2.19	105.35	84.51
Provisions	2.18	0.17	0.30
Total current liabilities		<u>1,137.69</u>	<u>440.10</u>
Total Equity and Liabilities		<u>5,516.75</u>	<u>5,558.12</u>
Summary of Significant Accounting Policies	1		

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's Registration No: 107023W

(Saurabh Sancheti)

Director
DIN: 08349457

(Ajay Singh)

Head Corporate Legal, Company Secretary &
Chief Compliance Officer
FCS - 5189

(Rajan Gupta)

Managing Director
DIN: 07603128

(Sitendu Nagchaudhuri)

Chief Financial Officer

(K.Y.Narayana)

Partner

Membership No: 060639

Place: Mumbai

Date: April 23, 2020

Place: Mumbai

Date: April 23, 2020

Standalone Statement of Profit And Loss For The Year Ended March 31, 2020

CINL64204MH1959PLC011421

		(₹ in Crores unless otherwise stated)	
	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
INCOME			
Revenue from Operations	3.01	567.69	527.63
Other Income	3.02	250.34	54.86
		818.03	582.49
EXPENDITURE			
Operational Expenses	3.03	180.30	122.54
Employee Benefits Expense	3.04	56.81	49.84
Finance Cost	3.05	116.10	102.58
Depreciation, Amortization and Impairment	3.06	152.19	115.92
Other Expenses	3.07	198.93	164.14
		704.33	555.02
Profit before Exceptional items and Tax		113.70	27.47
Exceptional Items	3.08	6.01	84.54
Profit / (Loss) before Tax		107.69	(57.07)
Tax Expense:			
Current Tax		-	-
Deferred Tax	2.06	91.05	(267.67)
Profit for the Year (A)		16.64	210.60
Other Comprehensive Income / (Loss) (Net of Taxes)			
Items that will not be reclassified to profit or loss			
Remeasurements of the post employment benefit obligations		0.04	(0.22)
Net gain on financial assets measured at FVTOCI		-	1.07
Other Comprehensive Income for the year (B)		0.04	0.85
Total Comprehensive Income for the year (A+B)		16.68	211.45
Earnings per equity share (Face value of ₹ 2/- each) (Refer Note 4.01):			
Basic and diluted (in ₹)		0.09	2.08
Summary of Significant Accounting Policies			
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's Registration No: 107023W

For and on behalf of the Board

(K.Y.Narayana)
 Partner
 Membership No: 060639
 Place: Mumbai
 Date: April 23, 2020

(Saurabh Sancheti)
 Director
 DIN: 08349457

(Ajay Singh)
 Head Corporate Legal, Company Secretary &
 Chief Compliance Officer
 FCS - 5189

Place: Mumbai
 Date: April 23, 2020

(Rajan Gupta)
 Managing Director
 DIN: 07603128

(Sitendu Nagchaudhuri)
 Chief Financial Officer

Standalone Statement of Changes in Equity For the year Ended March 31, 2020

CINL64204MH1959PLC011421

(₹ in Crores unless otherwise stated)

A. Equity Share Capital		
Particulars	Note No.	Amount
Balance at April 01, 2018	2.14	166.10
Changes in Equity Share Capital during the year		187.92
Balance at March 31, 2019	2.14	354.02
Changes in Equity Share Capital during the year		-
Balance at March 31, 2020	2.14	354.02

B. Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained earnings	
Balance at April 01, 2018	1,877.01	(989.21)	887.80
Profit for the year	-	210.60	210.60
Other Comprehensive Income for the year	-	0.85	0.85
Addition during the year (Net of Share Issue Expenses amounting to ₹ 2.94 adjusted against Securities Premium)	2,848.78	-	2,848.78
Balance at March 31, 2019	4,725.79	(777.76)	3,948.03
Impact on account of adoption of Ind AS 116 (Refer Note no 1.19)	-	(0.01)	(0.01)
Profit for the year	-	16.64	16.64
Other Comprehensive Income for the year	-	0.04	0.04
Balance at March 31, 2020	4,725.79	(761.09)	3,964.70

Summary of Significant Accounting Policies (Refer Note 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's Registration No: 107023W

For and on behalf of the Board

(Saurabh Sancheti)
 Director
 DIN: 08349457

(Rajan Gupta)
 Managing Director
 DIN: 07603128

(K.Y.Narayana)
 Partner
 Membership No: 060639

(Ajay Singh)
 Head Corporate Legal, Company Secretary &
 Chief Compliance Officer
 FCS - 5189

(Sitendu Nagchaudhuri)
 Chief Financial Officer

Place: Mumbai
 Date: April 23, 2020

Place: Mumbai
 Date: April 23, 2020

Cash Flow Statement for the year ended March 31, 2020

CINL64204MH1959PLC011421

	(₹ in Crores unless otherwise stated)	
	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit / (Loss) before Tax	107.69	(57.07)
Depreciation, Amortization and Impairment	152.19	115.92
Amount no longer payable written back	(0.14)	(0.02)
Impairment of trade receivables	3.03	2.40
Impairment of Advance	2.00	0.04
Provision for leave encashment and gratuity	(1.39)	0.71
Share of loss from LLP	0.14	0.20
Net Sundry Advances Written Off	0.09	-
Foreign Exchange Fluctuation	3.29	(1.48)
MTM (gain) / loss on swap	-	0.04
Loss on disposal of Property, Plant and Equipment	5.98	4.49
Net gain on financial assets measured at fair value through profit and loss	(0.27)	(41.59)
(Gain) / Loss on sale of current investments	(50.40)	-
Unwinding of Interest & Financial Guarantees	-	(2.17)
Income from Fixed Deposit / Loans	(192.02)	(6.72)
Dividend Income from associate	(4.20)	(4.20)
Interest and finance charges	116.10	102.58
Exceptional Items (Refer Note 4.05)	6.01	84.54
	148.10	197.67
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	2.57	(2.90)
Decrease/(increase) in inventories	1.20	2.66
Increase/(decrease) in trade payables	(0.12)	(2.87)
Decrease/(increase) in other financial assets	2.15	4.09
Decrease/(increase) in other non-current assets	(5.58)	(4.77)
Decrease/(increase) in other current assets	(4.48)	10.27
Increase/(decrease) in provisions	(0.57)	0.01
Increase/(decrease) in other current liabilities	20.84	(4.26)
Increase/(decrease) in other financial liabilities	(7.47)	(8.13)
Cash generated from operations	156.64	191.77
Less/(Add): Income taxes paid (net of refunds)	4.82	2.70
Net cash flow from / (used in) operating activities (A)	151.82	189.07
Cash flow from investing activities		
Payments for acquisition of Property, Plant and Equipment	(231.17)	(200.02)
Proceeds from sale of Property, Plant and Equipment	0.36	0.18
Loans & advances given to related parties & Others (Net)	68.79	(21.19)
Investment in related parties	(0.70)	0.02
Payment for purchase of investments-Mutual Funds	(741.92)	(7,640.41)
Proceeds from sale of investments-Mutual Funds/others	3,758.43	4,688.44
Invested in fixed deposits	(2,600.71)	(50.40)
Fixed Deposit redeemed during the year	659.23	0.40
Income from Fixed Deposit / Loans	61.77	5.52
Dividend from Associate received	4.20	4.20
Net cash flow from / (used in) investing activities (B)	978.28	(3,213.26)
Cash flows from financing activities		
Proceeds from Issue of Equity Shares / share application money	-	3,039.64
Expenses relating to equity infusion	-	(25.87)
Share issue expenses paid	-	(2.94)

Cash Flow Statement for the year ended March 31, 2020

	Year ended March 31, 2020	Year ended March 31, 2019
Proceeds from Non - current Borrowings	-	528.58
Repayments of Non - current Borrowings	(928.17)	(335.72)
Proceeds/(Repayments) from current borrowings (net)	897.59	(22.47)
Interest and finance charges	(110.89)	(102.81)
Net cash flow from / (used in) in financing activities (C)	(141.47)	3,078.41
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	988.63	54.22
Cash and cash equivalents at the beginning of the year	53.12	4.47
Bank overdrafts at the beginning of the year	-	(5.57)
Cash and cash equivalents at the end of the year	1,041.75	53.12
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents		
Balances with banks:		
On current accounts	4.23	22.14
Cheques/drafts on Hand	0.12	-
Deposits with banks with original maturity of 3 months or less	1,045.78	30.11
Cash on hand	0.21	0.87
Bank overdrafts	(8.59)	-
Balance as per the cash flow statement	1,041.75	53.12

Note :

- Above statement has been prepared by using Indirect method as per Ind AS 7 on Statement of Cash flows.
- Changes in liabilities arising from financing activities :

Particulars	As at March 31, 2019	Net Cash Flows	Non cash changes		As at March 31, 2020
			Foreign Exchange movement (Gain) / Loss	Fair value changes	
Non - current Borrowings (including current maturities of Non-current Borrowings)	981.79	(928.17)	-	7.92	61.54
Current Borrowings	2.40	897.59	-	-	899.99
Total liabilities from financing activities	984.19	(30.58)	-	7.92	961.53

Particulars	As at March 31, 2018	Net Cash Flows	Non cash changes		As at March 31, 2019
			Foreign Exchange movement (Gain) / Loss	Fair value changes	
Non - current Borrowings (including current maturities of Non-current Borrowings)	789.01	192.86	-	0.08	981.79
Current Borrowings	24.87	(22.47)	-	-	2.40
Total liabilities from financing activities	813.88	170.39	-	0.08	984.19

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

For and on behalf of the Board

(K.Y.Narayana)
Partner
Membership No: 060639

Place: Mumbai
Date: April 23, 2020

(Saurabh Sancheti)
Director
DIN: 08349457

(Ajay Singh)
Head Corporate Legal, Company Secretary &
Chief Compliance Officer
FCS - 5189

Place: Mumbai
Date: April 23, 2020

(Rajan Gupta)
Managing Director
DIN: 07603128

(Sitendu Nagchaudhuri)
Chief Financial Officer

Notes to the Standalone Financial Statements

(₹ in Crores unless otherwise stated)

BACKGROUND

Hathway Cable and Datacom Limited (“the Company”) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in distribution of internet services through cable and has strategic stake in entities engaged in Cable Television business. Its equity shares are listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) in India.

Authorisation of standalone financial statements

The standalone financial statements were authorized for issue in accordance with a resolution of the Board of directors on April 23, 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 and relevant provisions of the Act. 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 the following:

- certain financial assets and liabilities (including derivative instruments) is measured at fair value; and
- defined benefit plans – plan assets measured at fair value
- Right of Use assets

1.02 ROUNDING OF AMOUNTS

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

1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents its assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current if:

- it is expected to be realised or intended to be sold or consumed in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realised within twelve months after the reporting period; or
- the cash or 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:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- 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.

Notes to the Standalone Financial Statements

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 forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluates 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 assumptions

- (i) Financial instruments; (Refer note 4.11)
- (ii) Useful lives of Property, Plant and Equipment and Intangible Assets; (Refer note 1.05 and 1.06)
- (iii) Assets and obligations relating to employee benefits; (Refer note 4.06)
- (iv) Evaluation of recoverability of deferred tax assets; (Refer note 2.06) and
- (v) Contingencies (Refer note 4.02).

1.05 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment acquired separately

- (i) 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, non-refundable taxes, any costs directly attributable to bringing the asset into the location and conditions necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, finance cost. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- (ii) 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.
- (iii) Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalized or treated as sale, as the case may be.
- (iv) 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.
- (v) Stores & Spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.

Derecognition of Property, Plant and Equipment

- (vi) 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 derecognition 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.

Depreciation on Property, Plant and Equipment

- (vii) Depreciation on Property, Plant and 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 and Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the cost of Access devices at the customer's location which are depreciated on straight-line method over a period of eight years based on internal technical assessment.
- (viii) 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.

Notes to the Standalone Financial Statements

(ix) All assets costing up to ₹ 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 its 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 profit or loss in the period in which the expenditure is incurred.

Intangible Assets acquired separately

Intangible assets comprises of Network Franchisee, Bandwidth Rights, Goodwill, Customer Acquisition Cost and Softwares. 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 impairment losses.

Intangible Assets acquired in business combination

Intangible Assets acquired in business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

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 amortised 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:

- Network Franchisee are amortised over the period of five to twenty years.
- Softwares are amortised over the license period and in absence of such tenor, over five years.
- Bandwidth Rights are amortised over the period of the underlying agreements.
- Customer acquisition costs are amortised over the period of five 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 its deemed cost as of the transition date.

1.07 IMPAIRMENT OF ASSETS

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Ventures and Associates (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).

Notes to the Standalone Financial Statements

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 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

1.09 INVENTORIES

Inventories are valued as follows:

Spares and maintenance items are valued at lower of cost (net of taxes recoverable) on first in first out basis or net realizable value.

Stock-in-trade comprising of access devices are valued at cost on weighted average method or at net realizable value, whichever is lower.

1.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Company's management. Bank overdrafts are shown within borrowings under current liabilities in the balance sheet.

1.11 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 and ancillary costs related to borrowings) 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

Notes to the Standalone Financial Statements

- 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 including bank overdrafts, financial guarantee contracts and derivative financial instruments.

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 de-recognises 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 or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. 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.

Notes to the Standalone Financial Statements

1.12 INVESTMENT IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

A subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following: (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

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 subsidiaries, associates and joint ventures are accounted at cost and reviewed for impairment at each reporting date in accordance with the policy described in note 1.07 above.

1.13 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 a company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.14 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.

1.15 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 and 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.

Notes to the Standalone Financial Statements

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 pays provident fund contributions to publicly administered provident funds. 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 bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.16 REVENUE RECOGNITION

(i) Income from rendering of services and sale of products

The Company derives revenues primarily from Broadband business comprising of Internet services and other allied services.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or 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) Other Operating Income

Other Operating Income comprises of fees for rendering management, technical and consultancy services. Income from such services is recognized upon satisfaction of performance obligation as per the terms of underlying agreements.

(iii) Interest Income

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

Notes to the Standalone Financial Statements

(iv) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(v) Share of profit / loss from Partnership firms

Share of profit / loss from Partnership firm is recognised in the Statement of Profit and Loss in respect of the financial year of the Partnership firm ending on or before the balance sheet date, on the basis of its audited accounts.

1.17 TAXES ON INCOME

Current Tax:

Tax on income for the current period is determined on the basis of 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.

1.18 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.

1.19 LEASES

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings as on April 1, 2019. 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.

Notes to the Standalone Financial Statements

As a lessee

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments 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.

1.20 FOREIGN CURRENCY TRANSLATIONS

(i) Functional and presentation currency

The Company's standalone financial statements are prepared in INR, which is also the Company's functional and presentation currency.

(ii) Transactions and balances

Monetary items:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.21 FINANCIAL GUARANTEE CONTRACT

The Company on case to case basis elects to account for financial guarantee contracts as financial instruments or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Company has regarded its financial guarantee contracts as insurance contracts on contract by contract basis. At the end of each reporting period the Company performs liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows) on financial guarantee contracts regarded as insurance contracts, and the deficiency is recognized in the Statement of Profit and Loss.

1.22 BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs which are administrative in nature are expensed out.

Notes to the Standalone Financial Statements

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the standalone financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the standalone financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

Notes To The Standalone Financial Statements

(₹ in Crores unless otherwise stated)

2.01 PROPERTY, PLANT AND EQUIPMENT :

Particulars	Gross Carrying Amount			Accumulated Depreciation / Impairment			Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	As at March 31, 2020	For the Year	Elimination on disposal	As at March 31, 2020	As at March 31, 2019
Own Assets:								
Plant and Equipment	993.83	156.76	14.57	1,136.02	130.81	9.63	379.62	735.39
Air conditioners	4.18	0.48	0.03	4.63	0.74	0.02	2.90	2.00
Structural fittings	2.72	-	-	2.72	0.27	-	1.24	1.75
Furniture & Fixtures	11.08	0.15	-	11.23	1.05	-	5.64	6.49
Mobile & Telephone	0.59	0.03	-	0.62	0.08	-	0.45	0.22
Computers	7.17	1.23	0.01	8.39	0.84	0.01	6.31	2.08
Office Equipments	2.57	0.32	-	2.89	0.39	-	2.18	0.71
Electrical Fittings	4.88	0.22	-	5.10	0.46	-	2.27	3.07
Motor Vehicles	0.63	-	-	0.63	0.06	-	0.33	0.36
Total	1,027.65	159.19	14.61	1,172.23	134.70	9.66	400.94	751.75
Right of Use assets:								
Building	-	0.65	-	0.65	0.38	-	0.38	0.27
Total (B)	-	0.65	-	0.65	0.38	-	0.38	-
Total (A+B)	1,027.65	159.84	14.61	1,172.88	135.08	9.66	401.32	751.75
Particulars	Gross Carrying Amount			Accumulated Depreciation / Impairment			Net Carrying Amount	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2018
Own Assets:								
Plant and Equipment	883.84	125.23	15.24	993.83	102.03	5.56	258.44	721.87
Air conditioners	3.79	0.39	*	4.18	0.75	*	2.18	2.36
Structural fittings	2.48	0.24	-	2.72	0.34	-	0.97	1.85
Furniture & Fixtures	10.71	0.37	-	11.08	1.20	-	4.59	7.32
Mobile & Telephone	0.56	0.03	-	0.59	0.08	-	0.37	0.27
Computers	6.48	0.69	*	7.17	1.27	*	5.48	1.69
Office Equipments	2.40	0.17	-	2.57	0.51	-	1.79	1.12
Electrical Fittings	4.46	0.42	*	4.88	0.59	*	1.81	3.24
Motor Vehicles	0.63	-	-	0.63	0.08	-	0.27	0.43
Total	915.35	127.54	15.24	1,027.65	106.85	5.56	275.90	740.75

* Amount less than ₹ 50,000/-

Notes :

- Loss of ₹ Nil (March 31, 2019: ₹ 1.33) arising on account of exchange difference on long-term foreign currency borrowings, utilised for purchase of Property, Plant and Equipment has been capitalised and included in "Additions". The Company has also capitalised Finance cost of ₹ Nil (March 31, 2019: ₹ 1.26)
- Depreciation charge for the year includes Impairment of Plant and Equipment ₹ 42.80 (March 31, 2019: ₹ 12.84).
- Refer note no 4.04 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.

Notes to the Standalone Financial Statements

2.02 INTANGIBLE ASSETS : (₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount			Accumulated Amortisation / Impairment			Net Carrying Amount		
	As at April 1, 2019	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
Goodwill	0.11	-	-	0.11	0.11	-	-	0.11	-
Network Franchisee	6.05	-	-	6.05	2.15	0.65	-	2.80	3.25
Softwares	27.42	2.34	-	29.76	13.28	4.77	-	18.05	11.71
Bandwidth Rights	2.12	-	-	2.12	0.97	0.32	-	1.29	0.83
Customer Acquisition Cost	36.96	36.94	-	73.90	4.17	11.36	-	15.53	58.37
Total	72.66	39.28	-	111.94	20.68	17.10	-	37.78	74.16

* Amount less than ₹ 50,000/-

Particulars	Gross Carrying Amount			Accumulated Amortisation / Impairment			Net Carrying Amount		
	As at April 1, 2018	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
Goodwill	0.11	-	-	0.11	0.11	-	-	0.11	-
Network Franchisee	6.05	*	-	6.05	1.72	0.43	-	2.15	3.90
Softwares	21.74	5.68	-	27.42	9.12	4.16	-	13.28	14.14
Bandwidth Rights	2.12	-	-	2.12	0.66	0.31	-	0.97	1.15
Customer Acquisition Cost	-	36.96	-	36.96	-	4.17	-	4.17	32.79
Total	30.02	42.64	-	72.66	11.62	9.08	-	20.68	18.41

Notes :

1 Amortisation charge for the year includes Impairment of Network Franchisee ₹ 0.22 (March 31, 2019: ₹ Nil)

2 Range of remaining period of amortisation as at March 31, 2020 of Intangible assets is as below :

	0 to 5 years	6 to 10 years	10 to 15 years	Total
Network Franchisee	2.04	1.21	*	3.25
Softwares	11.71	-	-	11.71
Customer Acquisition Cost	58.37	-	-	58.37
Bandwidth Rights	0.74	0.07	0.02	0.83
Total	72.86	1.28	0.02	74.16

3 Refer note no 2.16 (c) for information on Property, Plant and Equipment pledged as security of the group.

Notes to the Standalone Financial Statements

2.03 NON-CURRENT INVESTMENTS

(₹ in Crores unless otherwise stated)

	Face Value Per Share ₹	March 31, 2020		March 31, 2019	
		Quantity	Amount	Quantity	Amount
Investments (measured at cost)					
Investment in Subsidiaries, Joint Ventures and Associates					
Quoted (fully paid up)					
Investment in Equity Shares of Subsidiary					
Hathway Bhawani Cabletel & Datacom Ltd.	10	2,020,000	2.39	2,020,000	2.39
Less : Impairment in value of investment			0.60		0.60
Investment in Equity Shares of Associate					
GTPL Hathway Ltd. (f.k.a. GTPL Hathway Pvt. Ltd.)	10	41,972,694	568.55	41,972,694	568.55
			570.34		570.34
Unquoted (fully paid up)					
Investment in Equity Shares of Subsidiaries					
Hathway Digital Pvt. Ltd.	10	355,734,833	432.67	355,734,833	432.67
Hathway Krishna Cables Pvt. Ltd.	10	7,808,333	15.41	7,808,333	15.41
Hathway Mysore Cable Network Pvt. Ltd.	10	1,041,000	10.09	1,041,000	10.09
Hathway Software Developers Pvt. Ltd.	10	758,000	9.53	758,000	9.53
UTN Cable Communications Pvt. Ltd.	10	756,000	4.94	756,000	4.94
Hathway Kokan Crystal Network Pvt. Ltd.	10	145,135	4.68	145,135	4.68
Hathway New Concept Cable & Datacom Pvt. Ltd.	10	150,000	3.23	150,000	3.23
Hathway Broadband Pvt. Ltd.	10	2,500,000	2.50	2,500,000	2.50
Hathway Mantra Cable & Datacom Pvt. Ltd.	10	9,800	2.10	9,800	2.10
Hathway Enjoy Cable Network Pvt. Ltd.	10	10,000	0.01	10,000	0.01
Hathway Media Vision Pvt. Ltd.	10	65,040	-	65,040	-
Ideal Cables Pvt. Ltd.	10	76,020	-	76,020	-
Channels India Network Pvt. Ltd.	10	87,500	-	87,500	-
Vision India Networks Pvt. Ltd.	10	87,700	-	87,700	-
Hathway C-Net Pvt. Ltd.	10	100,000	-	100,000	-
Chennai Cable Vision Network Pvt. Ltd.	10	136,800	-	136,800	-
Hathway Nashik Cable Network Pvt. Ltd.	10	45,300	-	45,300	-
Bee Network & Communication Pvt. Ltd.	10	99,989	-	99,989	-
Win Cable and Datacom Pvt. Ltd.	10	200,000	-	200,000	-
Elite Cable Network Pvt. Ltd.	10	48,000	-	48,000	-
Hathway Space Vision and Cabletel Pvt. Ltd.	10	10,020	-	10,020	-
Hathway Gwalior Cable & Datacom Pvt. Ltd.	10	10,000	-	10,000	-
Hathway JMD Farukhabad Cable Network Pvt. Ltd.	10	10,000	-	10,000	-
Binary Technology Transfers Pvt. Ltd.	100	1,000	-	1,000	-
Hathway Internet Satellite Pvt Ltd.	10	10,000	-	10,000	-

Notes to the Standalone Financial Statements

	Face Value Per Share ₹	March 31, 2020		March 31, 2019	
		Quantity	Amount	Quantity	Amount
Hathway United Cables Pvt. Ltd.	10	10,000	-	10,000	-
ITV Interactive Media Pvt. Ltd.	100	8,250	-	8,250	-
Liberty Media Vision Pvt. Ltd.	10	10,000	-	10,000	-
			485.16		485.16
Investment in Equity Shares of Joint Ventures					
Hathway Sai Star Cable & Datacom Pvt. Ltd.	10	82,463	11.10	68,850	10.40
Hathway MCN Pvt. Ltd.	10	963,000	8.01	963,000	8.01
Hathway Sonali Om Crystal Cable Pvt. Ltd.	10	68,000	5.29	68,000	5.29
Net 9 Online Hathway Pvt. Ltd.	10	5,000	2.01	5,000	2.01
Hathway Dattatray Cable Network Pvt. Ltd.	10	20,400	1.56	20,400	1.56
Hathway Cable MCN Nanded Pvt Ltd	10	1,305,717	1.37	1,305,717	1.37
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	10	51,000	0.97	51,000	0.97
Hathway Palampur Cable & Datacom Pvt. Ltd.	10	15,300	0.68	15,300	0.68
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	10	10,200	0.48	10,200	0.48
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	10	249,000	-	249,000	-
Hathway ICE Television Pvt. Ltd.	10	102,000	-	102,000	-
Hathway Prime Cable & Datacom Pvt. Ltd.	10	229,500	-	229,500	-
Less : Impairment in value of investment			6.47		5.78
			25.00		24.99
Investment in Equity Shares of Associates					
Hathway VCN Cablenet Pvt. Ltd.	10	12,520	-	12,520	-
Pan Cable Services Pvt. Ltd.	10	10	-	10	-
Investment in Partnership Firm in the nature of Joint Venture					
Hathway SS Cable & Datacom LLP			1.73		1.73
Less : Impairment in value of investment			1.73		1.73
Investments measured at amortised cost					
Unquoted					
Investment in Preference Shares of Subsidiary (fully paid up) *					
Hathway Digital Pvt. Ltd.	10	51,020	0.02	51,020	0.02
Investment in Government Securities					
National Savings Certificates			0.14		0.14
Investment in equity shares of other companies (designated at FVTOCI)					
Unquoted					
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	-	47,009	-
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	10	60,000	-	60,000	-

Notes to the Standalone Financial Statements

	Face Value Per Share ₹	March 31, 2020		March 31, 2019	
		Quantity	Amount	Quantity	Amount
Hathway Patiala Cable Private Limited (f.k.a Hathway Sukhamrit Cable & Datacom Private Limited)	10	71,175	3.08	71,175	3.08
			3.08		3.08
Total Non-current Investments			1,083.74		1,083.73
Aggregate amount of quoted investments			570.34		570.34
Market Value of quoted investments			172.93		288.71
Aggregate amount of unquoted investments			510.32		510.31
Aggregate fair value of investments designated at FVTOCI			3.08		3.08
Aggregate amount of impairment in value of investments			8.80		8.11

* 5% Non-Cumulative Redeemable Preference Shares of ₹ 10 each - The carrying value of the equity component included in investment in 5% Non-cumulative Redeemable Preference Shares issued by wholly owned subsidiary Hathway Digital Pvt. Ltd. is ₹ .0.02 (As at March 31, 2019 ₹ 0.02)

2.04 LOANS

	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Security Deposits				
Considered good - Unsecured	6.58	8.46	2.69	2.93
Security Deposits - credit impaired	1.60	-	-	-
Less: Allowance for bad & doubtful advances	1.60	-	-	-
(A)	6.58	8.46	2.69	2.93
Loans to Related Parties				
Considered good - Unsecured				
Loan to Subsidiaries, Joint Ventures and Associates	1.06	15.41	23.33	77.32
Investment in Preference Share Capital	0.05	0.04	-	-
Loan receivables - credit impaired	76.66	79.18	-	-
	77.77	94.63	23.33	77.32
Less : Provision for impairment	76.66	79.18	-	-
(B)	1.11	15.45	23.33	77.32
Other Loans				
Loan receivables - credit impaired	0.41	0.41	-	-
	0.41	0.41	-	-
Less : Provision for impairment	0.41	0.41	-	-
(C)	-	-	-	-
Total (A+B+C)	7.69	23.91	26.02	80.25

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.

Notes to the Standalone Financial Statements

2.05 OTHER FINANCIAL ASSETS

	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good				
Share Application Money. (Refer note 4.02 b)	0.26	0.26	-	-
Bank deposits with more than 12 months maturity	4.10	12.77	-	-
Accrued Interest	-	-	131.33	1.44
Accrued Interest on Loans Given	-	-	0.36	-
Unbilled Revenue *	-	-	0.07	0.08
Other Receivables	-	-	0.43	0.46
Total	4.36	13.03	132.19	1.98

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.

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

2.06 DEFERRED TAX ASSETS (NET)

	As at March 31, 2020	As at March 31, 2019
The balance comprises of temporary differences attributable to -		
Deferred tax assets in relation to : *		
Unabsorbed depreciation	184.91	283.44
Others	<u>15.84</u>	<u>7.58</u>
	<u>200.75</u>	<u>291.02</u>
Deferred tax liabilities in relation to :		
Property, Plant and Equipment	<u>24.13</u>	<u>23.35</u>
	<u>24.13</u>	<u>23.35</u>
DEFERRED TAX ASSETS (NET)	<u><u>176.62</u></u>	<u><u>267.67</u></u>

Significant Estimates -

* The deferred tax assets recognised is mainly in respect of unabsorbed depreciation allowance and brought forward losses available for set off for an indefinite period in terms of applicable tax laws. Considering the revision in business plans and growth strategy of the Company, pursuant to fresh infusion of equity capital and 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.

The movement in deferred tax asset / liabilities during the Year ended March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2019	Recognised in Profit / (Loss)	As at March 31, 2020
Deferred Tax Assets in relation to :			
Unabsorbed depreciation	283.44	(98.52)	184.92
Others	<u>7.58</u>	<u>8.25</u>	<u>15.83</u>
	<u>291.02</u>	<u>(90.27)</u>	<u>200.75</u>
Deferred tax liabilities in relation to :			
Property, Plant and Equipment	<u>23.35</u>	<u>(0.78)</u>	<u>24.13</u>
	<u>23.35</u>	<u>(0.78)</u>	<u>24.13</u>
Total	<u>267.67</u>	<u>(91.05)</u>	<u>176.62</u>

Notes to the Standalone Financial Statements

2.07 OTHER ASSETS

	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<u>CAPITAL ADVANCES</u>				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	0.03	0.03	-	-
Advance to Suppliers	3.00	3.21	-	-
Doubtful	0.30	0.30	-	-
Less: Allowance for bad & doubtful advances	0.30	0.30	-	-
(A)	3.03	3.24	-	-
<u>ADVANCES OTHER THAN CAPITAL ADVANCES</u>				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	0.13	1.53	2.19	3.45
Staff Advances	-	-	0.45	0.07
Sundry Advances	-	0.11	3.22	10.15
Balance with Government authorities:				
GST Recoverable	-	-	28.08	15.77
Balance with Statutory Authorities	8.96	16.14	0.14	0.04
Advance Income Tax (Net of Provision)	27.43	22.65	-	-
Deposits paid under Protest	7.36	0.27	-	-
Other Receivables	-	-	0.02	0.12
Doubtful	15.19	8.61	-	-
Less: Allowance for bad & doubtful advances	15.19	8.61	-	-
(B)	43.88	40.71	34.10	29.61
Total (A+B)	46.91	43.95	34.10	29.61

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.

2.08 INVENTORIES

	As at March 31, 2020	As at March 31, 2019
Stock of Spares and Maintenance Items	11.79	12.98
Total	11.79	12.98

2.09 CURRENT INVESTMENTS

	As at March 31, 2020	As at March 31, 2019
Unquoted		
Investments measured at fair value through profit and loss account		
Investment in Mutual Funds	27.72	2,993.56
Total	27.72	2,993.56
Aggregate amount of unquoted investments	27.45	2,964.70

Notes to the Standalone Financial Statements

2.10 TRADE RECEIVABLES

	Current	
	As at March 31, 2020	As at March 31, 2019
Trade receivables - Unsecured	53.21	56.80
	<u>53.21</u>	<u>56.80</u>
Less: Provision for Impairment	53.00	50.30
Total	<u><u>0.21</u></u>	<u><u>6.50</u></u>

Note : No amount is receivable from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.

2.11 CASH AND CASH EQUIVALENTS

	Current	
	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
In Current Accounts	4.23	22.14
Deposits with banks with original maturity of 3 months or less	1,045.78	30.11
Cheques / drafts on Hand	0.12	-
Cash in hand	0.21	0.87
Total	<u><u>1,050.34</u></u>	<u><u>53.12</u></u>

2.12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Margin money deposit*	4.10	12.77	2,000.14	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	50.00
	4.10	12.77	2,000.14	50.00
Less: Amount disclosed under other financial asset (Refer Note 2.05)	4.10	12.77	-	-
Total	-	-	2,000.14	50.00

* Marked under lien in favour of Banks

2.13 CURRENT TAX ASSETS (NET)

	As at March 31, 2020	As at March 31, 2019
Current tax assets		
Advance Income Tax (Net of Provisions)	42.59	42.54
Total	<u><u>42.59</u></u>	<u><u>42.54</u></u>

Notes to the Standalone Financial Statements

(₹ in Crores unless otherwise stated)

2.14 EQUITY SHARE CAPITAL

	As at March 31, 2020	As at March 31, 2019
Authorised Capital		
1,999,000,000 (March 31, 2019: 1,999,000,000) Equity Shares of ₹ 2 each	399.80	399.80
Total	399.80	399.80
Issued, Subscribed and Paid up Capital		
1,770,104,500 (March 31, 2019: 1,770,104,500) Equity Shares of ₹ 2 each fully paid-up	354.02	354.02
Total	354.02	354.02

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

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Equity Shares of ₹ 2 each				
Shares Outstanding at the beginning of the year	1,770,104,500	354.02	830,494,500	166.10
Shares Issued during the year under Preferential allotment (Refer note (e) below)	-	-	939,610,000	187.92
Shares Outstanding at the end of the year	1,770,104,500	354.02	1,770,104,500	354.02

b) **Rights, Preference and restrictions attached to Shares;**

Terms/ Rights attached to Equity Shares

The Company has issued only one class of equity shares having face value of ₹ 2 (March 31, 2019 : ₹ 2) per share. Each holder of equity shares is entitled to one vote per share. 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 shareholders.

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

Name of the Shareholder	As at March 31, 2020	As at March 31, 2019
	No. of Shares held	No. of Shares held
Equity Shares of ₹ 2 each		
Jio Content Distribution Holdings Private Limited \$	749,382,454	749,382,454
Jio Internet Distribution Holdings Private Limited \$	300,337,845	300,337,845
Jio Cable and Broadband Holdings Private Limited \$	223,980,916	223,980,916

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

Notes to the Standalone Financial Statements

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

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 2 each				
Mr. Akshay Raheja	121,413,000	6.86	121,413,000	6.86
Mr. Viren Raheja	119,553,000	6.75	119,553,000	6.75
Hathway Investments Private Limited	112,645,015	6.36	112,645,015	6.36
Jio Content Distribution Holdings Private Limited	749,382,454	42.34	749,382,454	42.34
Jio Internet Distribution Holdings Private Limited	300,337,845	16.97	300,337,845	16.97
Jio Cable And Broadband Holdings Private Limited	223,980,916	12.65	223,980,916	12.65

- e) During previous financial year, the Company had allotted on preferential basis 3,08,00,000 equity shares of ₹ 2 each at a premium of ₹ 30.35 per share to Hathway Investments Private Limited. Further, during previous financial year, the Company had allotted on preferential basis 908,810,000 equity shares of ₹ 2 each at a premium of ₹ 30.35 per share to the following entities (the “Acquirers”) aggregating to ₹ 2,940 representing 51.34% of post allotment equity share capital of the Company:

Name of the Acquirer	No. of shares	Amount
Jio Content Distribution Holdings Private Limited	534,698,609	1,729.75
Jio Internet Distribution Holdings Private Limited	214,296,755	693.25
Jio Cable and Broadband Holdings Private Limited	159,814,636	517.00
Total	908,810,000	2,940.00

Pursuant to the aforesaid preferential allotment, the Acquirers have acquired sole control of the Company and the Acquirers and the Persons Acting in Concert (PAC) namely Reliance Industries Limited, Digital Media Distribution Trust, Reliance Content Distribution Limited and Reliance Industrial Investments and Holdings Limited have become part of the ‘promoter and promoter group’ of the Company.

During the previous financial year, on February 26, 2019 the Acquirers acquired an aggregate of 364,891,215 equity shares representing 20.61% of the total paid-up equity share capital of the Company pursuant to an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Accordingly, as at March 31, 2019, the aggregate holding of the Acquirers in the Company stood at 1,273,701,215 equity shares of the Company representing 71.96% of the total paid-up equity share capital of the Company.

2.15 OTHER EQUITY

	As at	
	March 31, 2020	March 31, 2019
Retained earnings	(761.09)	(777.76)
Securities Premium	4,725.79	4,725.79
Total	3,964.70	3,948.03

Description of the nature and purpose of each reserve within equity is as follows:

(a) **Retained Earning :**

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 reserve is utilised in accordance with the provisions of the Act.

Notes to the Standalone Financial Statements

(₹ in Crores unless otherwise stated)

2.16 NON CURRENT BORROWINGS

	Non Current portion		Current maturities of long term debts	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Term Loans				
Secured				
From Banks	-	405.16	-	88.70
From Others	43.99	295.02	17.55	92.91
Inter Corporate Deposit	-	100.00	-	-
	43.99	800.18	17.55	181.61
Less: Amount disclosed under the head Other Financial Liabilities (Refer Note No. 2.17)				
- Current maturities of Long-Term Debts	-	-	17.55	181.61
Net Amount	43.99	800.18	-	-

CURRENT BORROWINGS

	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand		
Secured		
Overdraft with bank	908.58	-
Unsecured		
Loans from Related Parties	-	2.40
Total	908.58	2.40

a) Nature of Security and terms of repayment for borrowings :

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020		As at March 31, 2019	
			Non-Current	Current	Non-Current	Current
	NON-CURRENT BORROWINGS					
1	Term Loan from Others					
	Secured					
1.01	Aditya Birla Finance Ltd.					
i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Seventeen equal quarterly installments starting after 1 year from the date of first drawdown of Loan. Applicable Rate of Interest is 6 months ICICI MCLR+ 1.65%	44.12	17.65	61.76	13.24

Notes to the Standalone Financial Statements

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020		As at March 31, 2019	
			Non-Current	Current	Non-Current	Current
ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
	Gross Borrowings		44.12	17.65	61.76	13.24
	Add: Loan fully repaid prior to the Balance sheet date		-	-	743.87	171.07
	Less: Unamortised upfront fees on borrowing		0.13	0.09	5.45	2.69
	Total Long Term Borrowings		43.99	17.55	800.18	181.61
	CURRENT BORROWINGS					
2.0	Overdraft					
	Secured					
2.01	Axis Bank Ltd					
	Secured by Fixed Deposits of the Company of ₹ 930	(Sanctioned Amount ₹ 930)	-	908.58	-	-
3.0	From Related Parties					
	Unsecured					
3.01	Hathway Broadband Private Limited		-	-	-	2.40
	Total Short Term Borrowings		-	908.58	-	2.40

b) Details of Non - Current borrowings guaranteed by Hathway Digital Private Limited, a wholly owned subsidiary of the Company:

Sr. No.	Particulars	As at	
		March 31, 2020	March 31, 2019
1	Term loans from banks	-	499.99
2	Term Loan From others	61.76	388.75
	Total non current borrowings	61.76	888.74

c) The carrying amount of assets pledged as security for borrowings are disclosed below :

Sr. No.	Particulars	As at	
		March 31, 2020	March 31, 2019
1	Current		
i	Inventories	11.79	12.98
ii	Trade Receivables	0.21	6.50
iii	Cash and Cash Equivalents	1,050.34	53.12
iv	Bank balances other than Cash and Cash Equivalents*	2,000.14	50.00
v	Loans	26.02	80.25
vi	Other financial assets	132.19	1.98
vii	Other Current Assets	3.81	10.25
		3,224.50	215.08

Notes to the Standalone Financial Statements

Sr. No.	Particulars	As at	
		March 31, 2020	March 31, 2019
2	Non - current		
i	Property, Plant and Equipment	771.56	751.75
ii	Capital Work In Progress	26.61	51.56
iii	Other Intangible Assets	74.16	51.98
iv	Loans	7.69	23.91
v	Other financial assets	4.36	13.03
vi	Other Non-Current Assets	11.99	19.50
		896.37	911.74
	Total assets pledged as security	4,120.87	1,126.81

* Margin money deposits of ₹ 930 pledged as security for Overdraft facility availed by the company and ₹ 1070 pledged for Overdraft facility availed by Hathway Digital Private Limited, 100% subsidiary of the company.

2.17 OTHER FINANCIAL LIABILITIES	Non-Current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current maturities of Long-Term Debts (Refer note no. 2.16)	-	-	17.55	181.61
Security Deposits	12.05	9.63	-	-
Interest accrued and not due	-	-	0.93	3.64
Salary and Employee benefits payable	-	-	4.62	8.23
Payables for acquisition of property, plant and equipment				
- Micro enterprises and small enterprises	-	-	0.25	-
- Capital creditors	-	-	31.89	86.34
Lease Liability	-	-	0.28	-
Other Financial Liabilities	-	-	23.79	28.67
Total	12.05	9.63	79.31	308.49

2.18 PROVISIONS	Non-Current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Employee Benefits				
Provision for Leave Encashment	2.18	2.21	0.17	0.30
	(A)	2.18	2.21	0.30
Others				
Mark to Market Losses on Currency Swap	-	0.57	-	-
	(B)	-	-	-
Total (A+B)	2.18	2.78	0.17	0.30

Notes to the Standalone Financial Statements

(₹ in Crores unless otherwise stated)

2.19 OTHER LIABILITIES	Non-Current As at		Current As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Income received in advance	-	-	76.01	72.42
Statutory Payables	-	-	20.32	5.50
Gratuity (Funded)	2.12	3.38	-	-
Other Liabilities	-	-	9.02	6.59
Total	2.12	3.38	105.35	84.51

3.01 REVENUE FROM OPERATIONS

	Year Ended	
	March 31, 2020	March 31, 2019
Revenue from operations		
Sale of services	567.60	527.08
Sale of products	*	0.30
Other operating revenues	0.09	0.25
Total	567.69	527.63

* Amount less than ₹ 50,000/-

3.02 OTHER INCOME

	Year Ended	
	March 31, 2020	March 31, 2019
Interest income earned on financial assets measured at Amortised Cost:		
Bank Deposits	185.00	4.18
Interest on Loans	7.02	2.54
Corporate guarantee/ unwinding interest	-	2.17
Dividend Income from associate	4.20	4.20
Other Non - operating income		
Amount No Longer Payable Written Back	0.14	0.02
Interest on Income Tax Refund	3.11	-
Miscellaneous Income	0.20	0.16
Other gains and losses		
Gain on disposal of Current Investments (Net)	50.40	-
Net Gain on financial assets measured at fair value through profit and loss	0.27	41.59
Total	250.34	54.86

Notes to the Standalone Financial Statements

3.03 OTHER OPERATIONAL EXPENSES

	Year Ended	
	March 31, 2020	March 31, 2019
Commission	52.22	39.16
Bandwidth & Lease Line Cost	53.73	40.75
Licence Fees	25.56	1.58
Repairs and Maintenance (Plant and Machinery)	6.50	3.40
Rent	15.27	15.77
Consultancy and Technical Fees	2.91	4.75
Other Sundry Operational Cost	15.90	13.50
Software and Programming Cost	2.53	2.33
Freight & Octroi Charges	0.87	0.02
Hire Charges	4.81	1.28
Total	180.30	122.54

3.04 EMPLOYEE BENEFITS EXPENSE

	Year Ended	
	March 31, 2020	March 31, 2019
Salaries & Bonus	50.93	44.96
Contribution to provident and other funds	3.10	2.81
Staff Welfare expenses	2.78	2.07
Total	56.81	49.84

3.05 FINANCE COST

	Year Ended	
	March 31, 2020	March 31, 2019
Interest and Finance charges on financial liabilities	98.72	86.56
Exchange differences regarded as an adjustment to borrowing cost	-	6.04
Other borrowing costs	17.34	9.98
Interest expenses on Leases Laibility	0.04	-
Total	116.10	102.58

3.06 DEPRECIATION, AMORTISATION AND IMPAIRMENT

	Year Ended	
	March 31, 2020	March 31, 2019
Depreciation of Property, Plant and Equipment	91.90	94.01
Amortisation of Intangible Assets	16.89	9.07
Depreciation on Right of Use Assets	0.38	-
Impairment of Property, Plant and Equipment	42.80	12.84
Impairment of Other Intangible Assets	0.22	-
Total	152.19	115.92

Notes to the Standalone Financial Statements

3.07 OTHER EXPENSES

	Year Ended	
	March 31, 2020	March 31, 2019
Service Charges	120.65	89.95
Bad Debts	-	3.24
Less: Transfer from impairment of trade receivables (Expected Credit Loss)	-	3.24
	-	-
Advances Written Off	2.00	-
Less: Transfer from provision for impairment	2.00	-
	-	-
Impairment of trade receivables (Expected credit loss)	3.03	2.40
Electricity Expenses	16.22	15.55
Advertisement & Promotion expenses	15.58	12.65
Legal & Professional Charges	3.76	3.46
Rent - Offices	4.70	4.20
Conveyance	3.43	3.29
Repairs & Maintenance (Others)	3.31	1.96
Office Expenses	1.69	1.45
Travelling	2.18	2.55
Communication Charges	1.79	1.98
Rates & taxes	3.80	1.63
Loss on disposal / shortage of Property, Plant and Equipment	5.98	4.49
Printing & Stationery	0.99	0.66
Insurance Charges	1.35	1.77
Business Promotion Expenses	0.07	0.22
Sundry Advances Written Off	0.09	*
Interest on Taxes	1.62	2.39
Share of Loss from LLP	0.14	0.20
Loss on Foreign Exchange Fluctuation (Net)	2.47	11.58
Impairment of advances	2.00	-
Sitting Fees	0.28	0.35
Miscellaneous Expenses	2.97	0.67
Auditor's Remuneration		
- Statutory Audit Fees	0.36	0.39
- Limited Review, Consolidation and Certification Fees	0.47	0.35
Total	198.93	164.14

* Amount less than ₹ 50,000

3.08 EXCEPTIONAL ITEMS *

	Year Ended	
	March 31, 2020	March 31, 2019
Impairment of trade receivables and exposure to certain entities including Joint Ventures	6.01	49.74
Expenses relating to equity infusion	-	25.87
Write down to Property, Plant and Equipments	-	8.93
Total	6.01	84.54

* Refer Note 4.05

Notes to the Standalone Financial Statements

(₹ in Crores unless otherwise stated)

4.01 Earnings Per Share

	Year ended	
	March 31,2020	March 31,2019
Basic earnings per share : (₹)		
Attributable to equity holders of the Company	0.09	2.08
Diluted earnings per share : (₹)		
Attributable to equity holders of the Company	0.09	2.08
Nominal value of Ordinary shares (₹ per Share):	2.00	2.00
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit attributable to equity holders of the Company used in calculating basic earnings per share	16.64	210.60*
Diluted earnings per share		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	16.64	210.60*
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	1,770,104,500	1,000,520,281

* Net of share issue expenses debited to securities premium.

4.02 Contingent Liabilities

- The Company had challenged computation of levy of license fees for pure Internet services before Telecom Disputes Settlement & Appellate Tribunal (TDSAT). The case has been disposed off by TDSAT during the financial year with a direction to Department of Telecommunication (DOT) that there should be a level playing field for all the Internet Service Providers (ISPs) and accordingly, DOT should raise its revised demands for the License Fee on the basis of same concept of Adjusted Gross Revenue (AGR) as is being done in the case of ISPs holding license under the old regime. TDSAT has further directed DOT to come up with a uniform policy in respect of License Fee for all the ISPs. DOT has not filed any appeal with High Court against said order, till date and is yet to issue uniform policy. The Company has continued to pay License Fee based on the concept of AGR for ISPs holding license under the old regime and the same has been charged to Statement of Profit and Loss.
- The minority shareholders of the erstwhile joint venture company, Hathway Rajesh Multichannel Pvt. Ltd., filed an arbitration petition against the Company before the High Court, Bombay, which was referred to a sole arbitrator in August 2016. The minority shareholders, in their statement of claim have sought, amongst other reliefs, payment of ₹ 54.98 (March 31, 2019: ₹ 54.98) under various heads. The Company has refuted the claims and has made counter claim of ₹ 91.17 (March 31, 2019: ₹ 91.17) towards inter-alia outstanding content cost, loans, payments and damages / compensation for the loss of financial and management credibility, goodwill etc. The matter is currently pending.
- On conclusion of investigation by the Directorate of Revenue Intelligence (DRI) on alleged evasion of customs duty on import of software licence of viewing cards, the Commissioner of Customs (Import) has passed an order demanding Custom's Duty of ₹ 8.95 and penalty of ₹ 8.95. The Company has deposited ₹ 0.67 under protest and filed an appeal against the order before Customs and Excise and Service Tax Appellate Tribunal (CESTAT), Western Zonal Branch, Mumbai. Such appeal is pending before the CESTAT.
- In the matter relating to non-exclusion of certain allowances from the definition of "Basic Wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and the decision of the Supreme Court in case of Vivekananda Vidyamandir, in the assessment of the management, the PF authority is not likely to raise any demand for the period prior to March 31, 2019 and accordingly, no provision has been made in these financial statements.

Notes to the Standalone Financial Statements

e) Claims against the Company, other than those stated above, not acknowledged as debts are as under:

Matters with	As at March 31, 2020	As at March 31, 2019
Operators & Others	0.49	0.50
Income Tax Matter under Appeal	0.16	-
Other Statutory Authorities	0.40	0.35
VAT Authorities	0.75	2.19
Service Tax Authorities	-	3.74
Total	1.80	6.78

Pursuant to Business Transfer Agreement dated March 24, 2017, the Company has transferred its Cable Television business which inter alia includes claims against the Company not acknowledged as debts, by way of slump sale to its wholly owned subsidiary Hathway Digital Private Limited (HDPL). Accordingly, the details of such claims, litigation etc. relating to Cable Television business transferred to HDPL are not disclosed hereinabove

f) Foreseeable losses

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

g) Note on pending litigations

The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

4.03 Financial Corporate Guarantee

The Company has given Corporate Guarantees of ₹ 1057.70 (March 31, 2019: ₹ 1,012.79) to Banks & ₹ 1.24 (March 31, 2019: ₹ 2.76) to Others towards various credit facilities extended by them to related parties.

The Company has given Letter of Comfort of ₹ 7.46 (March 31, 2019: ₹ 58.07) to Banks towards various credit facilities extended by them to related parties.

4.04 Capital and Other Commitments

Estimated amount of contracts (including acquisition of intangible assets net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ 34.87 (March 31, 2019: ₹ 26.69).

As a part of business strategy, the Company has expanded its area of operations in various parts of the country by entering into arrangements with local partners. Such operations are in the form of subsidiaries/joint ventures. Since operations of such entities are significantly dependent on the company's policies, the Company is committed to provide the required support towards the operations of such entities including financial support that may be required to meet commitments/obligations of such entities.

4.05 Exceptional Items

(a) During the year, the Company has Impaired (i) Investments in Joint ventures; and (ii) advances and receivable from erstwhile joint venture, which is currently under litigation. This impairment having one-time, non-routine impact on financial statements, hence been disclosed as "Exceptional Item" in Financial Statements.

(b) During the previous financial year, in view of the New Regulatory Framework for Broadcasting and Cable services sector notified by the Telecom Regulatory Authority of India (TRAI), which was effective from 1st February 2019, resulted into changes in pricing mechanism and arrangements involving joint ventures and considering equity infusion; the Management, based on a review, has provided for (i) impairment of trade receivables and exposure to certain entities including joint ventures; (ii) write down to the recoverable value of certain assets; (iii) expenses relating to equity infusion. These adjustments, having one-time, non-routine material impact on financial statements, hence been disclosed as "Exceptional Item" in Financial statements.

Notes to the Standalone Financial Statements

4.06 Employee Benefits

a) Defined Benefit Plans:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 26 days' salary for each completed year of service subject to a maximum of ₹ 0.20 (March 31, 2019: ₹ 0.20). Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

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.

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment with LIC of India and Exide Life Insurance Corporation of India.
Interest Risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments
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 or inadequate returns on underlying plan assets 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.

Particulars	Gratuity	
	March 31, 2020	March 31, 2019
1 Expense recognized in the statement of Profit and Loss		
Current Service Cost	0.63	0.55
Net Interest	0.24	0.21
Past Service Cost	-	-
Expense recognized in the statement of Profit and Loss	<u>0.87</u>	<u>0.76</u>
2 Other Comprehensive Income (OCI)		
Measurement of net defined benefit liability		
Actuarial (gains)/ losses arising from changes in demographic assumptions	0.32	(0.03)
Actuarial (gains)/ losses arising from changes in financial assumption	0.21	0.06
Actuarial (gains)/ losses arising from experience adjustments	(0.48)	0.18
Return on plan asset excluding net interest (gain)/(losses)	<u>(0.08)</u>	<u>0.01</u>
Total Actuarial (Gain)/loss recognised in OCI	<u>(0.04)</u>	<u>0.22</u>
3 Change in benefit obligations:		
Projected benefit obligations at beginning of the year	4.52	3.80
Current Service Cost	0.63	0.55
Interest Cost	0.31	0.28
Past Service Cost	-	-
Benefits Paid	(0.43)	(0.32)
Actuarial (Gain) / Loss		
Actuarial (gains)/ losses arising from changes in demographic assumptions	0.32	(0.03)
Actuarial (gains)/ losses arising from changes in financial assumption	0.21	0.06
Actuarial (gains)/ losses arising from experience adjustments	<u>(0.48)</u>	<u>0.18</u>
Projected benefit obligations at end of the year	<u>5.07</u>	<u>4.52</u>

Notes to the Standalone Financial Statements

Particulars	Gratuity	
	March 31, 2020	March 31, 2019
4 Fair Value of Plan Assets		
Opening Fair Value of Plan Asset	1.13	0.94
Return on Plan Assets excl. interest income (gain)/losses	0.08	(0.02)
Interest Income	0.07	0.07
Contributions by Employer	0.13	0.46
Assets acquired/ (settled)*	1.97	-
Benefits Paid	(0.43)	(0.32)
Fair Value of Plan Assets at end of the year	2.95	1.13
* On account of business combination / inter group transfer		
5 Net Liability		
Projected benefit obligations at end of the year	5.07	4.52
Fair Value of Plan Asset at the end of the year	2.95	1.13
Net Liability	2.12	3.38
6 The net liability disclosed above relates to funded plans are as follows		
Projected benefit obligations at end of the year	5.07	4.52
Fair Value of Plan Asset at the end of the year	2.95	1.13
Deficit of gratuity plan	2.12	3.38
7 Sensitivity Analysis		
Present value of benefit obligation at the end of the year on		
0.5 % increase in discount rate	4.91	4.37
0.5 % decrease in discount rate	5.24	4.67
0.5 % increase in rate of salary increase	5.24	4.65
0.5 % decrease in rate of salary increase	4.90	4.38
1% increase in attrition rate	5.10	4.55
1% decrease in attrition rate	5.05	4.49
10% increase in mortality rate	5.07	4.52
10% decrease in mortality rate	5.07	4.52
8 Principal assumptions used for the purpose of actuarial valuation		
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
Interest /discount rate	6.90%	7.30%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	7.39	6.11
Employee Attrition Rate (Past service(PS))	21-30 Year : 14.3% 31-40 Year : 16.9% 41-50 Year : 10.00% 51-57 Year : 0.00%	21-30 Year : 14.3% 31-40 Year : 16.9% 41-50 Year : 10.00% 51-57 Year : 0.00%
9 Investment Details		
Insurer Managed Funds	100.00%	100.00%

Notes to the Standalone Financial Statements

b) Defined Contribution Plans:

The Company contributes towards provident fund and other defined contribution benefit plans 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.

The Total expenses recognised in the statement of Profit and Loss is ₹ 2.23 (March 31, 2019: ₹ 2.16) represents contribution payable to these plans by the Company at the rates specified in the rules of plan.

4.07 Disclosures As Required By Indian Accounting Standard (Ind AS) 108 Operating Segments

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

4.08 Leases

(a) Lessee:

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognized in the balance sheet at the date of initial application i.e. April 1, 2019 is 8.75%

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 disclosed under Note 4.08 of standalone financial statements forming part of 2019 Annual Report and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116. Short term leases accounted in the statement of Profit and Loss for the Financial Year 2019-20 is ₹ 24.78.

The Company's significant leasing arrangements in terms of Ind AS 116 on lease are in respect of Leases for Premises and Equipments. Some of these lease arrangements have price escalation clauses. The period of these leasing arrangements, range between eleven months to nine years and are renewable by mutual consent.

(b) Lessor:

The right to use granted to subsidiaries in respect of Access devices are not classified as lease transactions as the same are not for an agreed period of time.

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

Particulars	March 31, 2020	March 31, 2019
Principal amount due and remaining unpaid	0.25	Nil
Interest due on above and the unpaid interest	Nil	Nil
Interest paid	Nil	Nil
Payment made beyond the appointed day during the year	Nil	Nil
Interest due and payable for the period of delay	Nil	Nil
Interest due and remaining unpaid	Nil	Nil
Interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in succeeding year	Nil	Nil

4.10 Capital Management

The Company's objective while managing capital is to maintain stable capital structure to support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital that would enable to maximise the return to stakeholders

The Company's capital requirement is mainly to fund its business expansion and repayment of borrowings. The funds raised through issue of equity during the previous financial year is kept in Fixed Deposits with scheduled bank. During the year, the company has availed overdraft facility against such Fixed Deposits for replacing high interest bearing borrowings availed earlier. Other than this funding, the principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or material default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

Notes to the Standalone Financial Statements

4.11 Financial Instruments :

(i) Methods & 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.

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non-current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair values of long term security deposits taken and 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.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(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	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost				
Investment in Government securities	0.14	0.14	0.14	0.14
Trade receivables	0.21	0.21	6.50	6.50
Loans	33.71	33.71	104.16	104.16
Cash and Bank balances	3,054.58	3,054.58	115.89	115.89
Other financial assets	132.45	132.45	2.24	2.24
Total (A)	3,221.09	3,221.09	228.93	228.93
Measured at fair value through profit or loss				
Investment in mutual funds	27.72	27.72	2,993.56	2,993.56
Total (B)	27.72	27.72	2,993.56	2,993.56
Measured at fair value through other comprehensive income				
Investment in equity instruments of other companies	3.08	3.08	3.08	3.08
Total (C)	3.08	3.08	3.08	3.08
Total Financial assets (A+B+C)	3,251.89	3,251.89	3,225.57	3,225.57
Financial liabilities				
Measured at amortised cost				
Borrowings #	970.12	970.12	984.19	984.19
Trade payables	44.28	44.28	44.40	44.40
Other financial liabilities	73.81	73.81	136.51	136.51
Total financial liabilities (A)	1,088.21	1,088.21	1,165.10	1,165.10
Measured at fair value through profit or loss				
Derivative Instruments	-	-	0.57	0.57
Total financial liabilities (B)	-	-	0.57	0.57
Total Financial liabilities (A+B)	1,088.21	1,088.21	1,165.67	1,165.67

includes current maturities of long term debts

Notes to the Standalone Financial Statements

Level wise disclosure of financial instruments

Particulars	As at	As at	Level	Valuation techniques and key inputs
	March 31, 2020	March 31, 2019		
Investment in equity instruments of other companies	3.08	3.08	3	Price earning ratio method
Investment in Mutual funds	27.72	2,993.56	1	Closing Net Asset Value of Mutual Fund
Currency Swap contracts - Liability	-	0.57	2	Quotes from banks or dealers

4.12 Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors. The details of different types of risk and management policy to address these risks are listed below:

The business activities of Company expose it to financial risks namely Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Company, it uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency swap contracts, call options to hedge certain foreign currency risk exposures, wherever considered appropriate, and follows policies set up by the Treasury function under policies approved by the Board of Directors.

1. 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 exposure of the Company to credit risk arises mainly from the trade receivables, unbilled revenue, loans given, financial guarantee contract and derivative financial instruments.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

The Company's major revenue streams arises from services provided to end use customers in the form of monthly subscription income, which predominantly follows a prepaid model. The trade receivables and unbilled revenue on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. As the customer base is distributed economically and geographically, 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 and unbilled revenue. For the purpose of measuring the lifetime ECL allowance for trade receivables and unbilled revenue, the Company uses a provision matrix which comprises 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 or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.

Reconciliation of changes in the loss allowances measured using life-time expected credit loss model - Trade receivables

Particulars	
As at April 01, 2018	26.96
Provided during the year	26.58
Amounts written off	3.24
Reversals of Provision	-
As at March 31, 2019	50.30
Provided during the year	3.72
Amounts written off	1.02
Reversals of Provision	-
As at March 31, 2020	53.00

Notes to the Standalone Financial Statements

2. Liquidity Risk

Liquidity risk is 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. The Company liquidity risk management policies include to, at all times ensure sufficient liquidity to meet its liabilities when they are due, by maintaining adequate sources of financing from both domestic and international banks at an optimised cost. In addition, processes and policies related to such risks are overseen by senior management. The Company's senior management monitors the Company's net liquidity position through rolling forecasts 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.

As at March 31, 2020	less than 1 year	1 to 5 year	Total
Non-Derivatives			
Trade payables	44.28	-	44.28
Borrowings *	926.23	44.12	970.35
Lease Liability	0.28	-	0.28
Other financial liabilities	61.48	12.05	73.53
Total	1,032.27	56.17	1,088.45
Derivatives (net settled)			
Currency Swap Contract	-	-	-
Total	-	-	-

*Include ₹ 0.22 as Prepaid Finance Charges.

As at March 31, 2019	less than 1 year	1 to 5 year	Total
Non-Derivatives			
Trade payables	44.40	-	44.40
Borrowings *	186.71	805.63	992.34
Other financial liabilities	126.88	9.63	136.51
Total	357.99	815.26	1,173.25
Derivatives (net settled)			
Currency Swap Contract	0.57	-	0.57
Total	0.57	-	0.57

* Include ₹ 8.15 as Prepaid Finance Charges.

The Company from time to time in its usual course of business issues financial guarantees and letter of comfort to certain subsidiaries, associates and joint ventures. Company has issued corporate guarantee and letter of comfort for debt of ₹ 1,066.40 (March 31, 2019: ₹ 1,073.62). The outflow in respect of these guarantees and letter of comfort will arise only upon default of such subsidiaries, associates and joint ventures. ₹ 1,066.40 (March 31, 2019: ₹ 422.44) is due for repayment within 1 year and ₹ NIL (March 31, 2019: ₹ 651.18) is due for repayment within 1 - 5 Years from the reporting date.

Financing arrangements

The Company has sufficient sanctioned line of credit from its bankers / financiers; commensurate to its business requirements. The Company reviews its line of credit available with bankers and lenders from time to time to ensure that at all point in time there is sufficient availability of line of credit.

The Company pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds.

Notes to the Standalone Financial Statements

3. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed in the ordinary course of business to following risks: (a) foreign exchange risk, (b) interest rate risk and (c) price risk.

(a) Market Risk – Foreign Exchange

Foreign exchange risk arises on all recognised monetary assets and liabilities which are denominated in a currency other than the functional currency of the Company. The Company has foreign currency trade payables.

Foreign currency risk is managed by following established risk management policies, which inter alia includes monitoring the movements in currencies in which the borrowings / capex vendors are payable and hedging the exposure to foreign currency risk, wherever considered appropriate, by entering into forward currency contracts, call options and currency swaps contracts.

The Company does not enter into or trade financial instrument including derivative for speculative purpose.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Foreign currency exposure

	As At March 31, 2020	As At March 31, 2019
	USD	USD
Assets		
Liabilities		
Trade payables	19.30	61.62
Derivatives		
Currency Swaps	-	93.64

Details of Unhedged Foreign Currency Exposure is as under:-

Currency	March 31, 2020		March 31, 2019	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
Derivatives Liabilities - Currency Swap				
USD	-	-	1.35	93.64
Accounts Payables				
USD	0.25	19.30	0.89	61.62
Other Firm Commitments				
USD	0.29	21.73	0.35	23.97

The Company has booked INR USD Cross Currency Swap Contracts of USD NIL (March 31, 2019 : USD 3.34) against the underlying INR borrowing of ₹ NIL (March 31, 2019 : ₹ 214.78). Outstanding at the year end for the same is ₹ NIL (March 31, 2019: ₹ 92.50) and Currency Swap Contract amount is USD NIL (March 31, 2019: USD 1.35). The actual interest earned on notional INR deposit, interest paid on notional USD borrowing and marked to market loss on USD exposure aggregating net gain / (loss) of ₹ (1.88) (March 31, 2019 : ₹ 1.80) are included under finance cost in note number 3.05 in Notes to the financial statements.

Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit / (loss) before tax and on other components of equity

Notes to the Standalone Financial Statements

Particulars	Impact on Profit : Increase/(Decrease)			
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(0.19)	(1.55)	0.19	1.55

Particulars	Impact on other components of equity : Increase/(Decrease)			
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(0.19)	(1.55)	0.19	1.55

(b) Market Risk – Interest Rate

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. During the year the Company is less exposed to interest rate risk because the Company has borrowed funds substantially at Fixed interest rates. The interest rate risk is managed by the Company by the use of interest rate swap wherever relevant and by monitoring monthly cash flow which is reviewed by management to prevent loss of interest.

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

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings *	61.76	751.19
Fixed rate borrowings *	908.58	241.15
Derivatives		
Foreign Currency Interest Rate Swaps		
Currency Swaps	-	92.50

* Include ₹ 0.22 (March 2019: ₹ 8.15) as Prepaid Financial Charges.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of borrowing outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel.

	Impact on Profit : Increase/(Decrease)		Impact on equity Increase/(Decrease)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	Interest rates - increase by 100 basis points *	(0.62)	(7.51)	(0.62)
Interest rates - decrease by 100 basis points *	0.62	7.51	0.62	7.51

* assuming all other variables as constant

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings and the interest swaps. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings in INR & USD (being the significant currencies last year in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

(c) Market Risk -Price Risk:

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At March 31 2020, the investments in mutual funds is ₹ 27.72 (March 31, 2019 : ₹ 2,993.56). These are exposed to price risk. In order to minimise price risk arising from investments in mutual funds, the Company predominately invests in those mutual funds which have higher exposure to high quality debt instruments with adequate liquidity and no demonstrated track record of price volatility.

Notes to the Standalone Financial Statements

(₹ in Crores unless otherwise stated)

Price risk sensitivity:

0.10% increase or decrease in prices will have the following impact on profit/(loss) before tax and on other components of equity

	Impact on Profit : Increase/(Decrease)		Impact on equity Increase/(Decrease)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Price - increase by 0.10%*	0.03	2.99	0.03	2.99
Price - decrease by 0.10% *	(0.03)	(2.99)	(0.03)	(2.99)

* assuming all other variables as constant

4.13 Related Party Disclosures

A. Names of related parties and related party relationship

i) The company is controlled by the following entities:

Entities exercising control #	
	Reliance Industries Limited
	Reliance Industrial Investments and Holdings Limited * (Protector of Digital Media Distribution Trust)
	Digital Media Distribution Trust
	Jio Content Distribution Holdings Private Limited \$
	Jio Internet Distribution Holdings Private Limited \$
	Jio Cable and Broadband Holdings Private Limited \$

ii) Under Control of the Company

	1	Wholly Owned Subsidiaries
		Bee Network and Communications Private Limited
		Binary Technology Transfers Private Limited
		Hathway CNet Private Limited
		Hathway Enjoy Cable Network Private Limited
		Hathway Gwalior Cable & Datacom Private Limited
		Hathway Internet Satellite Private Limited
		Hathway JMD Farukhabad Cable Network Private Limited
		Hathway Media Vision Private Limited
		Hathway Space Vision Cabletel Private Limited
		Hathway United Cables Private Limited
		Ideal Cables Private Limited
		ITV Interactive Media Private Limited
		Liberty Media Vision Private Limited
		Vision India Network Private Limited
		Win Cable and Datacom Private Limited
		Hathway Broadband Private Limited
		Hathway New Concept Cable & Datacom Private Limited
		Hathway Mantra Cable & Datacom Private Limited
		Hathway Software Developers Private Limited
		UTN Cable Communications Private Limited
		Hathway Mysore Cable Network Private Limited
		Hathway Krishna Cable Private Limited
		Hathway Digital Private Limited
	2	Other – Subsidiaries
		Chennai Cable Vision Network Private Limited
		Channels India Network Private Limited
		Elite Cable Network Private Limited
		Hathway Nashik Cable Network Private Limited
		Hathway Bhawani Cabletel & Datacom Limited
		Hathway Kokan Crystal Cable Network Private Limited

Notes to the Standalone Financial Statements

iii) Other Related parties :

1	Fellow Subsidiaries #	Reliance Corporate IT Park Limited^ Reliance Jio Infocomm Limited^ Reliance Retail Finance Limited^
2	Joint Ventures	Hathway Digital Saharanpur Cable & Datacom Private Limited Hathway Sai Star Cable & Datacom Private Limited Hathway MCN Private Limited Hathway Channel 5 Cable & Datacom Private Limited Net 9 Online Hathway Private Limited Hathway Cable MCN Nanded Private Limited Hathway Latur MCN Cable & Datacom Private Limited Hathway Palampur Cable Network Private Limited Hathway ICE Television Private Limited Hathway Sonali Om Crystal Cable Private Limited Hathway Dattatray Cable Network Private Limited Hathway Prime Cable & Datacom Private Limited Hathway SS Cable & Datacom - LLP
3	Joint ventures of Fellow Subsidiaries#	Ryohin-Keikaku Reliance India Private Limited Reliance-Vision Express Private Limited
4	Associate Companies	Pan Cable Services Private Limited Hathway VCN Cablenet Private Limited GTPL Hathway Limited (f.k.a.GTPL Hathway Private Limited)
5	Trusts - Post Employment Benefit Trust	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme
6	Key Management Personnel	Executive Director:- Mr. Rajan Gupta - Managing Director Non Executive Directors :- Independent Directors Mr. Sridhar Gorthi Mr. Sasha Gulu Mirchandani Mr. Devendra Shrotri (upto August 4, 2019) Mr. A. Siddharth (w.e.f August 5, 2019 to September 3, 2019) Ms. Ameeta A Parpia Non Independent Directors Mr. Rajan R. Raheja (upto January 30, 2019) Mr. Viren R Raheja Mr. Akshay R Raheja Ms. Geeta Fulwadaya (w.e.f. January 30, 2019) Mr. Anuj Jain (w.e.f. March 29, 2019) Mr. Saurabh Sancheti (w.e.f. March 29, 2019) Mr. Vinayak P Aggarwal (upto January 30, 2019)

w.e.f. January 30, 2019

* Reliance Industrial Investments and Holdings Limited - Protector of Digital Media Distribution Trust is wholly owned subsidiary of Reliance Industries Limited

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

^ Subsidiary of Reliance Industries Limited.

Notes to the Standalone Financial Statements

B) Related Party Transactions

Compensation to Key Management Personnel:-

Particulars	March 31, 2020	March 31, 2019
(a) Short Term employee benefits *	4.56	2.96
(b) Post employment benefits	0.13	0.08
(c) Other long term benefits	-	-
Total Compensation	4.69	3.04

* Short Term Employee Benefits include sitting fees paid to Directors

As the employment benefits such as Gratuity & Leave encashment are provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Management Personnel is not ascertainable and therefore not included above.

Nature of Transactions	Name of the Party	Relationship	2019-20	2018-19
Income				
Subscription Income	Net 9 Online Hathway Private Limited	Joint Venture	0.64	0.47
	Others	Fellow Subsidiaries	-	*
	Others	Joint ventures of Fellow Subsidiary	-	*
Consultancy Income	Net 9 Online Hathway Private Limited	Joint Venture	0.29	0.63
Interest on Loans	Hathway Digital Private Limited	Subsidiary	6.14	1.53
	Others	Subsidiary	0.36	0.32
	Others	Joint Venture	0.16	0.18
Sales of Parts and Accessories	Hathway Digital Private Limited	Subsidiary	*	0.02
Dividend Income	GTPL Hathway Limited	Associate	4.20	4.20
Expenses				
Interest on Loans	Hathway Broadband Private Limited	Subsidiary	0.12	0.24
	Hathway Digital Private Limited	Subsidiary	-	0.08
Rent Offices	Akshay R Raheja	Key Management Personnel	0.43	0.42
	Viren R Raheja	Key Management Personnel	0.43	0.42
	Hathway Sai Star Cable And Datacom Private Limited	Joint Venture	-	0.06
Purchase of Parts and Accessories	Hathway Digital Private Limited	Subsidiary	-	0.36
Contribution to Gratuity Fund	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme	Trust	0.13	0.46
Exceptional Item	Hathway Cable MCN Nanded Private Limited	Joint Venture	-	0.29
	Hathway Dattatray Cable Network Private Limited	Joint Venture	-	0.14
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	12.99
	Hathway SS Cable & Datacom LLP	Joint Venture	-	1.94
	GTPL Hathway Limited	Associate	-	2.50

Notes to the Standalone Financial Statements

Nature of Transactions	Name of the Party	Relationship	2019-20	2018-19
	Hathway Palampur Cable Network Private Limited	Joint Venture	0.22	-
Business Support Expense	Reliance Industries Limited	Entities exercising control	0.01	-
Bandwidth and Lease Line Cost	Reliance Jio Infocomm Limited	Fellow Subsidiary	33.10	-
Advance written off	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	2.00	-
Acquisition of Capital assets	Hathway Digital Private Limited	Subsidiary	1.30	-
Change in Assets / Liabilities during the year				
Impairment in Value of Investments made during the year	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	5.30
	Hathway SS Cable & Datacom LLP	Joint Venture	-	1.73
	Hathway Palampur City Cable Network Pvt Ltd	Joint Venture	0.68	-
Allowance for bad and doubtful loans made during the year	GTPL Hathway Limited	Associate	-	2.50
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	(2.00)	7.68
	Hathway Media Vision Private Limited	Subsidiary	(0.31)	-
	Others	Subsidiary	(0.15)	-
	Others	Joint Venture	-	0.35
Net Advances/Trade Receivables/Trade Payables Made During the Year	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	-	0.21
	Hathway Digital Private Limited	Subsidiary	-	19.54
	Hathway Mysore Cable Network Private Limited	Subsidiary	0.04	0.12
	Hathway Software Developers Private Limited	Subsidiary	0.03	0.10
	Hathway Krishna Cable Private Limited	Subsidiary	0.10	-
	Hathway Broadband Private Limited	Subsidiary	0.43	-
	Others	Joint Venture	0.02	0.01
	Others	Subsidiary	0.04	1.27
	Others	Joint Venture of Fellow Subsidiary	0.01	-
Net Advances/Trade Receivables/Trade Payables Recovered/Paid During the Year	Reliance Jio Infocomm Limited	Fellow Subsidiary	10.67	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	2.00	-
	Hathway Bhawani Cabletel & Datacom Limited	Subsidiary	0.10	0.13
	Hathway Latur MCN Cable & Datacom Private Limited	Joint Venture	-	0.17
	GTPL Hathway Limited	Associate	6.50	-
	Hathway SS Cable & Datacom LLP	Joint Venture	0.14	0.20

Notes to the Standalone Financial Statements

Nature of Transactions	Name of the Party	Relationship	2019-20	2018-19
	Hathway Broadband Private Limited	Subsidiary	-	0.22
	Hathway Cable MCN Nanded Private Limited	Joint Venture	0.02	0.29
	Others	Subsidiary	0.06	-
	Others	Joint Venture	1.27	0.02
Loan Received	Hathway Digital Private Limited	Subsidiary	-	20.00
Loan repaid	Hathway Digital Private Limited	Subsidiary	-	20.00
	Hathway Broadband Private Limited	Subsidiary	2.40	-
Receipt of repayment of Loan	Hathway Digital Private Limited	Subsidiary	61.99	-
Investment made during the year	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	0.70	-
Equity shares issued during the year	Jio Content Distribution Holdings Private Limited	Entity exercising control	-	1,729.75
	Jio Internet Distribution Holdings Private Limited	Entity exercising control	-	693.25
	Jio Cable and Broadband Holdings Private Limited	Entity exercising control	-	517.00
Closing Balances				
Equity Share Capital (incl. Securities Premium)	Jio Content Distribution Holdings Private Limited	Entity exercising control	1,729.75	1,729.75
	Jio Internet Distribution Holdings Private Limited	Entity exercising control	693.25	693.25
	Jio Cable and Broadband Holdings Private Limited	Entity exercising control	517.00	517.00
Investments	Hathway Digital Private Limited	Subsidiary	493.97	493.97
	GTPL Hathway Limited	Associate	168.75	168.75
	Others	Subsidiary	82.31	82.31
	Others	Associate	0.10	0.10
	Others	Joint Venture	70.45	69.74
Loans & advances	Hathway Digital Private Limited	Subsidiary	-	61.99
	Win Cable & Datacom Private Limited	Subsidiary	20.22	20.22
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	13.48	15.48
	Hathway Nashik Cable Network Private Limited	Subsidiary	10.39	10.39
	Others	Subsidiary	33.95	33.53
	Others	Associate	2.90	9.40
	Others	Joint Venture	2.69	3.70
	Others	Trust	0.01	0.01
Impairment in Value of Investments	Hathway Media Vision Private Limited	Subsidiary	5.92	5.92
	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture	6.28	6.28

Notes to the Standalone Financial Statements

Nature of Transactions	Name of the Party	Relationship	2019-20	2018-19
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	16.68	16.68
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	16.37	16.37
	Others	Subsidiary	11.10	11.10
	Others	Associate	0.10	0.10
	Others	Joint Venture	6.02	5.34
Allowance for bad and doubtful loans	Hathway Nashik Cable Network Private Limited	Subsidiary	10.39	10.39
	Win Cable & Datacom Private Limited	Subsidiary	20.22	20.37
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	13.45	15.45
	Others	Subsidiary	11.53	11.99
	Others	Associate	2.50	2.50
	Others	Joint Venture	1.42	1.42
Other Financial Liabilities	Hathway SS Cable & Datacom LLP	Joint Venture	2.94	2.80
Trade Payables	Hathway Broadband Private Limited	Subsidiary	-	0.43
	Hathway Krishna Cable Private Limited	Subsidiary	-	0.10
	Reliance Jio Infocomm Limited	Fellow Subsidiary	10.67	-
Unsecured loan	Hathway Broadband Private Limited	Subsidiary	-	2.40
Trade Receivables	Hathway Bhawani Cabletel & Datacom Limited	Subsidiary	0.25	0.35
	Hathway Mysore Cable Network Private Limited	Subsidiary	-	0.23
	Hathway Software Developers Private Limited	Subsidiary	-	0.20
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	-	0.30
	Hathway Kokan Crystal Cable Network Private Limited	Subsidiary	0.11	-
	Net 9 Online Hathway Private Limited	Joint Venture	0.28	0.27
	Others	Subsidiary	0.07	0.13
	Others	Joint Venture	0.04	0.02
	Others	Fellow Subsidiaries	-	*
	Others	Joint Venture of Fellow Subsidiary	-	0.01

* Amount less than ₹ 50,000

The Company has extended aggregate loan of ₹ 101.10 to various subsidiaries, joint ventures and associates, out of which ₹ 21.24 is interest free. The Company had invested in 5% Non cumulative Redeemable Preference shares issued by Hathway Digital Private Limited aggregating to ₹ 0.05 (March 31, 2019 : ₹ 0.05). The Company has given Corporate financial Guarantees of ₹ 20.00 (March 31, 2019 ₹ 39.69) on behalf of GTPL Hathway Limited, ₹ 1,038.94 (March 31, 2019: ₹ 975.86) on behalf of Hathway Digital Private Limited. The Company has given Letter of Comfort of ₹ 7.46 (March 31, 2019 ₹ 58.07) to Banks towards various credit facilities extended by them to GTPL Hathway Limited.

Notes to the Standalone Financial Statements

4.14 Supplementary statutory information required to be given pursuant to Schedule V of regulation 34(3) and 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Loans And Advances In The Nature of Loans To Subsidiaries, Joint Ventures And Associates

NAME OF RELATED PARTY	As at March 31, 2020			As at March 31, 2019		
	SUBSIDIARIES	ASSOCIATES AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	SUBSIDIARIES	ASSOCIATES AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway Mysore Cable Network Pvt. Ltd.	4.53	-	4.53	4.30	-	4.30
Hathway Software Developers Pvt. Ltd.	3.08	-	3.08	2.88	-	2.88
Hathway Media Vision Pvt. Ltd.	1.64	-	1.64	1.64	-	1.64
UTN Cable Communications Pvt. Ltd.	6.11	-	6.11	6.11	-	6.11
Hathway Ice Television Pvt. Ltd.	-	0.68	0.68	-	0.68	0.68
GTPL Hathway Ltd. (f.k.a GTPL Hathway Pvt. Ltd)	-	2.90	9.40	-	9.40	10.32
Net 9 Online Hathway Pvt. Ltd.	-	0.20	0.20	-	0.20	0.20
Hathway Sonali Om Crystal Cable Pvt. Ltd.	-	13.48	15.48	-	15.48	15.48
Hathway Gwalior Cable & Datacom Pvt. Ltd.	0.51	-	0.51	0.51	-	0.51
Hathway Enjoy Cable Network Pvt. Ltd.	*	-	*	*	-	*
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	-	1.04	1.04	-	1.04	1.04
Hathway JMD Farukhabad Cable Network Pvt. Ltd.	*	-	*	*	-	*
Hathway Dattatray Cable Network Pvt. Ltd.	-	-	0.14	-	0.14	0.14
Hathway Mantra Cable & Datacom Pvt. Ltd.	7.50	-	7.50	7.50	-	7.50
Hathway Digital Pvt Ltd.	-	-	61.99	61.99	-	61.99
Hathway Prime Cable & Datacom Pvt. Ltd.	-	0.02	0.02	-	0.02	0.02
Hathway Kokan Crystal Cable Network Pvt. Ltd.	1.20	-	1.21	1.21	-	1.21
Bee Network & Communications Pvt. Ltd.	0.37	-	0.37	0.37	-	0.37
Binary Technology Transfers Pvt. Ltd.	1.63	-	1.63	1.63	-	1.63
Chennai Cable Vision Network Pvt. Ltd.	1.97	-	1.97	1.97	-	1.97
Channels India Network Pvt. Ltd.	0.01	-	0.01	0.01	-	0.01
Elite Cable Network Pvt. Ltd.	0.02	-	0.02	0.02	-	0.02
Hathway C Net Pvt. Ltd.	0.45	-	0.45	0.45	-	0.45
Hathway Internet & Satellite Pvt. Ltd.	1.63	-	1.63	1.63	-	1.63
Hathway Nashik Cable Network Pvt. Ltd.	10.39	-	10.39	10.39	-	10.39
Hathway Space Vision Cabletel Pvt. Ltd.	1.04	-	1.04	1.04	-	1.04
Ideal Cables Pvt. Ltd.	0.41	-	0.41	0.41	-	0.41
ITV Interactive Media Pvt. Ltd.	0.45	-	0.45	0.45	-	0.45
Liberty Media Vision Pvt. Ltd.	1.17	-	1.17	1.17	-	1.17
Vision India Network Pvt. Ltd.	0.22	-	0.22	0.22	-	0.22
Win Cable & Datacom Pvt. Ltd.	20.22	-	20.22	20.22	-	20.22
Hathway Sai Star Cable & Datacom Pvt. Ltd.	-	0.54	1.40	-	1.40	1.40
Hathway SS Cable & Datacom LLP	-	0.21	0.21	-	0.21	0.21

* Amount less than ₹ 50,000

Notes to the Standalone Financial Statements

Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.

- (a) None of the loanee has made, per se, investment in the shares of the Company.
- (b) Investment made by Hathway Media Vision Pvt. Ltd in Hathway Bhawani Cabletel & Datacom Ltd - 21,60,000 equity shares of ₹ 2.46 .
- (c) Investment made by Hathway New Concept Cable & Datacom Pvt Ltd in Hathway Media Vision Private Limited - 2,000 preference shares of ₹ 0.00*
- (d) Investment made by Hathway New Concept Cable & Datacom Pvt Ltd in Win Cable & Datacom Private Limited - 5,000 preference shares. of ₹ 0.01

* Amount less than ₹ 50,000

- 4.15** The Operation of the Company are classified as 'infrastructure facilities' as defined under Schedule VI of the Act. Accordingly the disclosure requirements specified in sub section 4 of section 186 of the Act in respect of loan given or guarantee given or security provided and the related disclosure on purposes/ utilization by recipient companies, are not applicable to the Company except details of Investment made during the year 2019-20 as per section 186(4) of the Act.

The Company has made Investment in following body corporate during the year:

Hathway Sai Star Cable & Datacom Private Limited - 13,610 Equity Shares amounting to ₹ 0.70

During the financial year 2018-19, the Company had not made any investment in terms of Section 186 (4) of the Act. Accordingly, comparatives disclosure is not given.

4.16 Revenue from contracts with customers

Disaggregation Of Revenue

As the Company's business activity falls within a single business segment in terms of Ind AS 108 on Operating Segments, the financial statement are reflective of the information required by Ind AS 108. 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'	0.21	6.50
Contract assets (Unbilled Revenue)	-	-
Contract liabilities (Unearned Revenue)	76.01	72.42

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 year are as follows.

Particular	March 31, 2020		March 31, 2019	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Balance at the beginning of the year	-	72.42	-	80.87
Add: Advance Income received from the customer during the year	-	76.01	-	72.42
Revenue recognised that is included in the contract liability balance at the beginning of the year	-	72.42	-	80.87
Balance at the end of the year	-	76.01	-	72.42

Notes to the Standalone Financial Statements

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.

Contract costs

The Company incurred cost of ₹ 36.94 (March 31, 2019 : ₹ 36.96) as a result of obtaining customers. The Company has therefore capitalised them as customer acquisition cost.

Customer acquisition cost are amortised over a period of five years.

- 4.17** Subsequent to the outbreak of Coronavirus (COVID -19) and consequential lock down across the country, the Company has continued to operate and provide internet services to its customers, which has been declared as an essential service, without any 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 in view of the highly uncertain economic environment and the scenario is still evolving. The Company has evaluated its liquidity position and of recoverability and carrying values of its assets and have concluded that no material adjustments required at this stage in the standalone financial statements.
- 4.18** The Board of Directors of the Company at its meeting held on February 17, 2020, has approved a Composite Scheme of Amalgamation and Arrangement involving the Company (Hathway), Den Networks Limited (Den), Network18 Media & Investments Limited (Network18), TV18 Broadcast Limited (TV18), Media18 Distribution Services Limited (Cable Co.), Web18 Digital Services Limited (ISP Co.) and Digital18 Media Limited (Digital Co.) and their respective shareholders and creditors ("Scheme"). The Scheme provides for amalgamation of Hathway, Den and TV18 with Network 18 and subsequent consolidation of Cable, ISP and Digital businesses of the amalgamating companies by way of transfer of relevant undertakings to the respective companies. On amalgamation, the shareholders of Hathway will be issued shares of Network 18. The appointed date of the Scheme is February 1, 2020, however, it will take effect upon receipt of requisite approvals and fulfilment of conditions stated in the Scheme. Pending the Scheme coming into force, no effect of the same have been considered in this standalone financial statements.
- 4.19** The Company has exposure by way of investments and receivables in case of certain subsidiaries and joint ventures aggregating to ₹ 68.01 (net of provision) as at March 31, 2020. The net worth of such subsidiaries and joint ventures have been fully / substantially eroded. However, most of these companies have demonstrated profitability in their operations for the year ended March 31, 2020. Based on the projections, management of the Company expects that these companies will continue to have positive cash flow to adequately sustain their operations in foreseeable future and therefore, no further provision for impairment in investment and receivable is considered necessary.
- 4.20** Previous year's figures have been reclassified / regrouped, wherever necessary.

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

For and on behalf of the Board

(K.Y.Narayana)
 Partner
 Membership No: 060639

Place: Mumbai
 Date: April 23, 2020

(Saurabh Sancheti)
 Director
 DIN: 08349457

(Ajay Singh)
 Head Corporate Legal, Company Secretary &
 Chief Compliance Officer
 FCS - 5189

Place: Mumbai
 Date: April 23, 2020

(Rajan Gupta)
 Managing Director
 DIN: 07603128

(Sitendu Nagchaudhuri)
 Chief Financial Officer