

**Hathway New Concept Cable  
& Datacom Private Limited**  
**Financial Statements**  
**2019-20**

## Independent Auditor's Report

---

### To the Members of Hathway New Concept Cable & Datacom Private Limited

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the standalone financial statements of **Hathway New Concept Cable & Datacom Private 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 Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### 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 that there are no other key audit matters to communicate in our report.

##### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in annual report but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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 when it becomes available 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.

When we read the other information included in the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

##### 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 Companies Act, 2013 (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, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read together with relevant rules issued there under and relevant provisions of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

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

#### **Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013, 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.

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 paragraph 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 Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Rule 7 of the Companies (Accounts) Rules, 2014;
- 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”; and
- g) Since the Company is a private limited company, the provisions of section 197 of the Act are not applicable. Accordingly, no reporting is required 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; and
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 4.04 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**For G.M. Kapadia & Co.**  
Chartered Accountants  
Firm Registration No. 104767W

**Abhishek Singh**  
Partner  
Membership No. 407549  
UDIN: 20407549AAAAAX7571

Place: New Delhi  
Date: 06.04.2020

### Annexure A to the Independent Auditor's Report

#### Re: Hathway New Concept Cable & Datacom Private Limited

Referred to in paragraph 1 under "Report on Other Legal & 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 compiled information of property, plant and equipment showing particulars of assets including quantitative details and location except in case of certain types of distribution equipments like cabling, line equipments and other like equipment. In view of the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;
- (b) According to the information and explanations given to us the property, plant and equipment are physically verified by the management, except distribution equipment like cabling and line equipment. In our opinion, frequency and procedure of verification of distribution equipment requires strengthening considering the size of the Company and nature of assets. We are informed that no material discrepancies were noticed on physical verification of other property, plant and equipment by the management;
- (c) The Company does not hold any immovable properties. Accordingly, the paragraph 3(i)(c) of the Order regarding title deeds of immovable properties is not applicable;
- (ii) The Company did not have any inventories of finished goods, stores, spare parts and raw materials, therefore clause 3(ii) of the Order, regarding physical verification of inventory at reasonable intervals and regarding material discrepancies on physical verification are not applicable to the company;
- (iii) The Company has not granted any secured or unsecured loans to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequentially sub-clause (a), (b) & (c) of clause 3(iii) of the Order are not applicable to the Company;
- (iv) Based on the audit procedures applied by us, during the year under audit, the Company has not granted loans, guarantee and security or made investments 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 not specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for services rendered by the Company;
- (vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services 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) Based on our audit procedure and according to the information and explanations given to us there are no dues payable by the Company on account of any dispute in case of income tax, service tax, goods & services tax and other statutory dues as applicable as on March 31, 2020, except for the Income-tax reported as under:

(Amount in Rupees)

Name of Statute	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income-tax and interest thereon	2,35,250/-	FY 12-13	Income-tax Officer – ITO 16(1) (2), Mumbai

- (viii) Based on our audit procedure and according to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year, therefore question of defaulting in repayment of dues of any financial institution or banks during the year does not arise;

- 
- (ix) In our opinion and according to the information and explanations given to us and based on overall examination of records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, therefore, clause 3(ix) of the Order is not applicable;
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi) The Company has not paid or provided for any managerial remuneration during the year and therefore requisite approval mandated by the provisions of section 197 read with Schedule V to the Act does not arise;
- (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, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;
- (xiv) Based on our audit procedures performed and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company;
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, the Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable 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 G.M. Kapadia & Co.**  
Chartered Accountants  
Firm Registration No. 104767W

**Abhishek Singh**  
Partner  
Membership No. 407549  
UDIN: 20407549AAAAAX7571

Place: New Delhi  
Date: 06.04.2020

---

**Annexure B to the Independent Auditor's Report****The Annexure referred to in Paragraph 2(f) under "Other Legal and Regulatory Requirements" of our report of even date, on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the the Act**

We have audited the internal financial controls with reference to financial statements of the **Hathway New Concept Cable & Datacom Private Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

**Meaning of Internal Financial Controls with reference to Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

**Opinion**

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

**For G.M. Kapadia & Co.**  
Chartered Accountants  
Firm Registration No. 104767W

**Abhishek Singh**  
Partner  
Membership No. 407549  
UDIN: 20407549AAAAAX7571

Place: New Delhi  
Date: 06.04.2020

## Balance Sheet as at March 31, 2020

Particulars	Note No.	As at	
		March 31, 2020	March 31, 2019
(All Amounts are Rupees in Lakhs unless otherwise stated)			
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2.01	195.94	267.16
(b) Goodwill	2.02	478.29	478.29
(c) Financial Assets			
Trade Receivables	2.03	-	-
Loans	2.04	0.64	0.64
Other Financial Assets	2.05	3.22	3.05
(d) Deferred Tax Assets (Net)	2.06	-	-
(e) Other Non-Current Assets	2.08	54.35	61.46
<b>Total Non-Current Assets</b>		<b>732.44</b>	<b>810.60</b>
<b>Current Assets</b>			
(a) Financial Assets			
Trade Receivables	2.03	0.00	154.67
Cash and Cash Equivalents	2.09	39.37	89.71
Other Financial Assets	2.05	14.68	19.17
(b) Current Tax Assets (Net)	2.07	11.90	17.25
(c) Other Current Assets	2.08	22.79	23.52
<b>Total Current Assets</b>		<b>88.74</b>	<b>304.32</b>
<b>Total Assets</b>		<b>821.18</b>	<b>1,114.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	2.10	15.00	15.00
(b) Other Equity	2.11	(350.55)	(99.34)
<b>Total Equity</b>		<b>(335.55)</b>	<b>(84.34)</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
Trade Payables	2.12		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		717.42	729.37
Other Financial Liabilities	2.13	427.43	461.38
(b) Other Current Liabilities	2.14	11.88	8.51
<b>Total Current Liabilities</b>		<b>1,156.73</b>	<b>1,199.26</b>
		<b>821.18</b>	<b>1,114.92</b>

Summary of Significant Accounting Policies 1.00

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

As per our report of even date

**For G.M. Kapadia & Co.**

Chartered Accountants

Firm's Registration No. 104767W

**Abhishek Singh**

Partner

Membership No. 407549

Place : Delhi

Dated : 06.04.2020

For and on behalf of the Board

**Sunil Sethi**

Director

Din : 07777524

Place : Mumbai

Dated : 06.04.2020

**Mayur Govindbhai Kanani**

Director

Din : 06590372

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

(All Amounts are Rupees in Lakhs unless otherwise stated)

Particulars	NoteNo.	Year Ended	
		March 31, 2020	March 31, 2019
<b>INCOME</b>			
Revenue from Operations	3.01	442.54	485.46
Other Income	3.02	2.32	2.15
<b>Total Income</b>		<b>444.86</b>	<b>487.61</b>
<b>EXPENDITURE</b>			
Operational Expenses	3.03	433.46	447.32
Finance Cost	3.04	2.15	0.51
Depreciation and Amortization	3.05	77.11	69.65
Other Expenses	3.06	183.32	43.27
<b>Total Expense</b>		<b>696.04</b>	<b>560.75</b>
<b>Net Profit / (Loss) before Tax</b>		<b>(251.18)</b>	<b>(73.14)</b>
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
<b>Net Profit / (Loss) for the Year (A)</b>		<b>(251.18)</b>	<b>(73.14)</b>
<b>Other Comprehensive Income (B)</b>		-	-
<b>Total Comprehensive Income / (Loss) for the Year, net of Tax (A+B)</b>		<b>(251.18)</b>	<b>(73.14)</b>
Earnings/ (Loss) per equity share (Face value of Rs. 10/- each)			
Basic (in Rs.)		(167.45)	(48.76)
Diluted (in Rs.)		(167.45)	(48.76)
Summary of Significant Accounting Policies	1.00		

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

As per our report of even date  
**For G.M. Kapadia & Co.**  
Chartered Accountants  
Firm's Registration No. 104767W

**Abhishek Singh**  
Partner  
Membership No. 407549  
Place : Delhi  
Dated : 06.04.2020

For and on behalf of the Board

**Sunil Sethi**  
Director  
Din : 07777524  
Place : Mumbai  
Dated : 06.04.2020

**Mayur Govindbhai Kanani**  
Director  
Din : 06590372

## Statement of Changes in Equity for the year ended March 31, 2020

Particulars	(All Amounts are Rupees in Lakhs unless otherwise stated)	
	Year ended	
	March 31, 2020	March 31, 2019
<b>1 CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>NET PROFIT / (LOSS) BEFORE TAX</b>	(251.18)	(73.14)
A Non-cash Adjustment to Profit/ (Loss) Before Tax:		
Depreciation	77.11	69.65
Impairment loss allowance on trade receivables	157.30	20.65
Allowance for Bad & Doubtful Advances	4.33	-
Bad Debts (Net)	-	(12.02)
Interest on NSC of PSV	(0.03)	(0.04)
Sundry Balance Written Back (Net)	-	(0.04)
B Items Considered Separately:		
Interest Income on Fixed Deposit	(1.07)	(0.96)
Interest Income on Income Tax refund	(1.22)	(1.11)
	<u>236.42</u>	<u>76.13</u>
Operating Profit before Working Capital	<b>(14.76)</b>	<b>2.99</b>
C Change in operating assets and liabilities :		
(Increase) / Decrease in Trade Receivables	(2.63)	25.47
(Increase) / Decrease in Loan	(0.03)	(0.04)
(Increase) / Decrease in Other Non-Current Assets	(0.02)	-
(Increase) / Decrease in Other Financial Assets	4.32	(8.64)
(Increase) / Decrease in Other Assets	(0.05)	6.56
Increase / (Decrease) in Trade Payables	(11.95)	14.09
Increase / (Decrease) in Other Financial Liabilities	(33.94)	26.70
Increase / (Decrease) in Other Current Liabilities	3.37	5.75
	<u>(40.93)</u>	<u>69.89</u>
Cash Generated from Operations	(55.69)	72.88
Taxes paid (Net)	11.24	(1.10)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(44.45)</b>	<b>71.78</b>
<b>2 CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payment for Property, Plant and Equipment	(5.89)	(1.34)
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(5.89)</b>	<b>(1.34)</b>
<b>3 CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net cash flow from/(used in) in financing activities (C)</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A+B+ C)</b>	<b>(50.34)</b>	<b>70.44</b>
Cash and Cash Equivalents at beginning of year	89.71	19.27
Cash and Cash Equivalents at end of year	<u>39.37</u>	<u>89.71</u>
<b>Reconciliation of cash and cash equivalents as per Cash Flow Statement</b>		
Cash and Cash Equivalents as per above comprising of the following-		
Cash in hand	0.02	1.77
Bank Balance	39.35	87.94
<b>Balance as per statement of Cash flow</b>	<u>39.37</u>	<u>89.71</u>

**Note :** Above statement has been prepared by using Indirect method as per Ind AS - 7 on Statement of Cash flows

As per our report of even date

For and on behalf of the Board

**For G.M. Kapadia & Co.**

Chartered Accountants

Firm's Registration No. 104767W

**Abhishek Singh**

Partner

Membership No. 407549

Place : Delhi

Dated : 06.04.2020

**Sunil Sethi**

Director

Din : 07777524

Place : Mumbai

Dated : 06.04.2020

**Mayur Govindbhai Kanani**

Director

Din : 06590372

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

(All Amounts are Rupees in Lakhs unless otherwise stated)

<b>A: EQUITY SHARE CAPITAL</b>		
<b>Particulars</b>	<b>Note No.</b>	<b>Amount</b>
As at April 01, 2018	2.10	15.00
Changes in Equity Share Capital during the year	-	
Balance at March 31, 2019	2.10	15.00
Changes in Equity Share Capital during the year	-	
Balance at March 31, 2020	2.10	15.00

<b>B: OTHER EQUITY</b>			
<b>Particulars</b>	<b>Security Premium</b>	<b>Retained earnings</b>	<b>Total Amount</b>
<b>Balance as on April 01, 2018</b>	<b>1,396.00</b>	<b>(1,422.20)</b>	<b>(26.20)</b>
Net Income / (Loss) for the year	-	(73.14)	(73.14)
<b>Balance as on March 31, 2019</b>	<b>1,396.00</b>	<b>(1,495.34)</b>	<b>(99.34)</b>
Net Income / (Loss) for the year	-	(251.18)	(251.18)
Adjustment during the Year	-	(0.03)	(0.03)
<b>Balance as on March 31, 2020</b>	<b>1,396.00</b>	<b>(1,746.55)</b>	<b>(350.55)</b>

Summary of Significant Accounting Policies (Ref. Note No. 1.00)

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

As per our report of even date  
**For G.M. Kapadia & Co.**  
 Chartered Accountants  
 Firm's Registration No. 104767W

**Abhishek Singh**  
 Partner  
 Membership No. 407549  
 Place : Delhi  
 Dated : 06.04.2020

For and on behalf of the Board

**Sunil Sethi**  
 Director  
 Din : 07777524  
 Place : Mumbai  
 Dated : 06.04.2020

**Mayur Govindbhai Kanani**  
 Director  
 Din : 06590372

## Significant accounting policies and notes on accounts

### Background

Hathway New Concept Cable & Datacom Private Limited is a company limited by shares domiciled in India and incorporated under the provisions of the Companies Act, 1956 having registered office at 805/806, Windsor, 8th floor, Off CST Road, Kalina, Santacruz (East), Mumbai - 400098. The Company is in the business of receiving and distributing digital channel signals. The Company was originally incorporated on 1st December, 2000, under Companies Act, 1956, as "Hathway Data.Com Private Limited". The name of the Company changed to "Hathway New Concept Cable & Datacom Private Limited" on 20th August, 2008. The Company is engaged in the business of distribution and transmission of Cable TV signals in Delhi (DAS Area).

### Authorization of financial statements

The financial statements were authorized for issue in accordance with a resolution of the directors on 06.04.2020

### 1.00 Summary of significant accounting policies

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

#### 1.01 Basis of Preparation

- (i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules there under.

- (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:  
Certain financial assets and liabilities are measured at fair value;

#### 1.02 Current Versus Non-Current Classification

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

- a) Expected to be realised or intended to sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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 current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of operations, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of assets and liabilities.

#### 1.03 Use Of Judgements, Estimates & Assumptions

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

## Significant accounting policies and notes on accounts

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 financial statements are as below:

- a) Financial instruments;
- b) Provisions;
- c) Evaluation of recoverability of deferred tax assets; and
- d) Contingencies.

### 1.04 Leases

#### As a lessee

Leases of plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased Plant and equipment or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Effective 01st April, 2019, the Company has adopted Ind AS 116 on "Leases" using Modified Retrospective Transition Method. Accordingly, the Company has not made restatement of comparative information, which are still presented in accordance with Ind AS 17.

### 1.05 Property, plant and equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

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

#### Depreciation on Property, plant and equipment

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 STBs at the customer location which are depreciated on straight-line method over a period of eight years based on internal technical assessment.

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

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

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

### 1.06 Intangible Assets

#### Intangible Assets acquired separately

Intangible assets comprises of Goodwill

Goodwill that are acquired separately are carried at cost less accumulated impairment losses.

## Significant accounting policies and notes on accounts

### 1.07 Impairment of Property, Plant and Equipment and Intangible Assets

Carrying amount of Property, Plant and Equipment and Goodwill 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.

### 1.08 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 and net realizable value.

### 1.09 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank and cash in hand.

### 1.10 Financial Instruments

#### A. Financial Assets

##### (i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- those measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or other comprehensive income.

##### (ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

Trade receivables are recognised initially at transactional price less provision for impairment.

##### (iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

##### (iv) 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.

#### B. Financial liabilities

##### (i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

## Significant accounting policies and notes on accounts

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

(ii) Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using effective interest method or at FVTPL.

### 1.11 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.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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 Assets is disclosed when inflow of economic benefits is probable.

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

### 1.12 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Income from Rendering of services

Subscription income includes subscription from Cable Operators relating to cable TV and from broadcasters relating to the placement of channels. Revenue from Operations is recognized on accrual basis based on underlying subscription plan or agreements with the concerned LCOs/ parties.

Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the company. In cases where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Company recognizes revenue as per invoice raised. Adjustments for the year, if any, arising on settlement is adjusted against the Revenue. Other cases are reviewed by the management periodically.

The Company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

### 1.13 Taxes on Income

Current Tax:

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

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

## Significant accounting policies and notes on accounts

---

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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 1.14 Earnings Per Share (EPS)

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

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

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

<b>2.01 PROPERTY, PLANT AND EQUIPMENT</b>												
Particulars	Gross Block (at Cost)			Depreciation/Amortisation/Impairment				Net Block				
	As at 01-04-2019	Additions during the Year	As at 31-03-2020	As at 01-04-2019	Additions during the Year	Deductions during the Year	Other Adjustments*	As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019	
Headend Equipment	72.01	-	72.01	20.82	12.14	-	-	32.96	-	39.05	51.19	
Distribution Equipments	488.59	5.89	494.48	273.05	64.87	-	-	337.92	-	156.56	215.54	
Furniture & Fixtures	0.24	-	0.24	0.03	0.02	-	-	0.05	-	0.19	0.22	
Computers	0.94	-	0.94	0.79	0.05	-	-	0.84	-	0.10	0.15	
Motor Vehicles	0.39	-	0.39	0.32	0.03	-	-	0.35	-	0.04	0.07	
<b>Total</b>	<b>562.17</b>	<b>5.89</b>	<b>568.06</b>	<b>295.01</b>	<b>77.11</b>	-	-	<b>372.12</b>	-	<b>195.94</b>	<b>267.16</b>	
<b>2.02 GOODWILL</b>												
	As at 01-04-2019	Additions during the Year	As at 31-03-2020	As at 01-04-2019	Additions during the Year	Deductions during the Year	Other Adjustments*	As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019	
Goodwill	478.29	-	478.29	-	-	-	-	-	-	478.29	478.29	
<b>Total</b>	<b>478.29</b>	<b>-</b>	<b>478.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>478.29</b>	<b>478.29</b>	
<b>F.Y. 2018-19</b>												
<b>2.02 GOODWILL</b>												
	As at 01-04-2018	Additions during the year	As at 31-03-2019	As at 01-04-2018	Additions during the year	Deductions during the year	Other Adjustments*	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018	
Headend Equipment	70.89	1.12	72.01	19.74	1.09	-	-	20.82	-	51.19	51.15	
Distribution Equipments	488.59	-	488.59	204.74	68.31	-	-	273.05	-	215.54	283.85	
Furniture & Fixtures	0.02	0.22	0.24	0.01	0.01	-	-	0.03	-	0.21	0.01	
Computers	0.94	-	0.94	0.63	0.16	-	-	0.79	-	0.15	0.30	
Motor Vehicles	0.39	-	0.39	0.24	0.08	-	-	0.32	-	0.07	0.15	
<b>Total</b>	<b>560.83</b>	<b>1.34</b>	<b>562.17</b>	<b>225.37</b>	<b>69.65</b>	<b>-</b>	<b>-</b>	<b>295.01</b>	<b>-</b>	<b>267.16</b>	<b>335.47</b>	
<b>2.02 GOODWILL</b>												
	As at 01-04-2018	Additions during the year	As at 31-03-2019	As at 01-04-2018	Additions during the year	Deductions during the year	Other Adjustments*	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018	
Goodwill	478.29	-	478.29	-	-	-	-	-	-	478.29	478.29	
<b>Total</b>	<b>478.29</b>	<b>-</b>	<b>478.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>478.29</b>	<b>478.29</b>	

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

2.03 TRADE RECEIVABLES (UNSECURED)	Non-Current	
	As at	
	March 31, 2020	March 31, 2019
Considered good	679.29	676.66
Less: Allowance for doubtful debts (expected credit loss)	679.29	521.99
	<u>0.00</u>	<u>154.67</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.

2.04 LOANS	Non-Current	
	As at	
	March 31, 2020	March 31, 2019
Unsecured Loans*	0.64	0.64
* Receivable from Related Parties	0.64	0.64

In accordance with provisions of Ind AS 109, the investment in preference share has been measured at fair value on initial recognition and been shown as a part of Loans. The above said fair value has been determined using the present value method using the discount rate which is the borrowing market rate. The difference between the amount paid for acquiring the preference shares and its fair value has been charged to retained earnings as on the transition date. The Company will accrue interest using the effective interest rate (discount rate) over the term of the preference shares.

2.05 OTHER FINANCIAL ASSETS	Non-Current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Unsecured, considered good unless stated otherwise				
Other Bank balances (Note No. 2.09)	2.90	2.90	12.07	11.31
Interest accrued but not due	0.32	0.15	0.12	0.08
Unbilled Revenue	-	-	2.49	7.78
	<u>3.22</u>	<u>3.05</u>	<u>14.68</u>	<u>19.17</u>

2.06 DEFERRED TAX ASSETS (NET)	As at			
	March 31, 2020		March 31, 2019	
	Deferred Tax Assets in relation to:			
Trade Receivables			100.76	108.47
			<u>100.76</u>	<u>108.47</u>
Deferred Tax Liabilities in relation to:				
Property, Plant and Equipment			100.76	108.47
			<u>100.76</u>	<u>108.47</u>
<b>NET DEFERRED TAX ASSETS</b>			<u>-</u>	<u>-</u>

Note : Refer Note No. 4.10

2.07 CURRENT TAX ASSETS (NET)	Current	
	As at	
	March 31, 2020	March 31, 2019
Advance Income Tax (Net of Provision)	11.90	17.25
	<u>11.90</u>	<u>17.25</u>

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

### 2.08 OTHER ASSETS

	Non Current As at		Current As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>OTHER ADVANCES</b>				
Doubtful			4.33	-
Provision for doubtful advances			4.33	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unsecured, considered good unless stated otherwise				
Advance to Suppliers	-	-	1.72	4.72
Prepaid expenses	-	-	0.01	0.05
Staff Advances	-	-	0.22	0.35
GST & Service Tax Claimable	-	-	20.84	17.53
Advance Income Tax (Net of Provision)	11.76	18.87	-	-
Security Deposits	-	-	-	0.87
Advances with Statutory Authorities	42.59	42.59	-	-
	<u>54.35</u>	<u>61.46</u>	<u>22.79</u>	<u>23.52</u>

### 2.09 CASH AND CASH EQUIVALENTS

	Non-Current As at		Current As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Cash &amp; Cash Equivalents</b>				
In Current Accounts	-	-	39.35	87.94
Cash in hand	-	-	0.02	1.77
	<u>-</u>	<u>-</u>	<u>39.37</u>	<u>89.71</u>
<b>Other Bank Balance</b>				
Fixed Deposits with maturity greater than 03 month*	2.90	2.90	12.07	11.31
	<u>2.90</u>	<u>2.90</u>	<u>12.07</u>	<u>11.31</u>
Less: Amount disclosed under Other Financial Assets (Refer Note 2.05)	<u>2.90</u>	<u>2.90</u>	<u>12.07</u>	<u>11.31</u>
	<u>-</u>	<u>-</u>	<u>39.37</u>	<u>89.71</u>

\* includes Fixed Deposit of Rs. 2.90 Lakh (Rs. 2.90 Lakh) lodged with "Commissioner of Entertainment Tax" Delhi

### 2.10 EQUITY SHARE CAPITAL

	As at	
	March 31, 2020	March 31, 2019
<b>Authorised Capital</b>		
150,000 (March 31, 2019; 150,000) equity shares of face value Rs 10 each	15.00	15.00
	<u>15.00</u>	<u>15.00</u>
<b>Issued, Subscribed and Paid up Capital</b>		
150,000 (March 31, 2019; 150,000) equity shares of face value Rs 10 each	15.00	15.00
	<u>15.00</u>	<u>15.00</u>

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

a) <b>Reconciliation of the number of shares outstanding as at the beginning and end of the reporting period:</b> <b>Particulars</b>	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
	<b>Equity Shares of Rs.10 each</b>			
Shares Outstanding at the beginning of the year	150,000	15.00	150,000	15.00
Shares Issued during the Period	-	-	-	-
Shares Outstanding at the end of the year	<u>150,000</u>	<u>15.00</u>	<u>150,000</u>	<u>15.00</u>

b) <b>The details of shareholders holding more than 5% shares in the Company:</b> <b>Particulars</b>	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	<b>Equity Shares of Rs. 10 each</b>			
Hathway Cable and Datacom Limited - Holding Company	150,000	100%	150,000	100%
<i>(Includes Shares held by the nominee shareholders, on behalf of Holding Company)</i>				

c) <b>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 holding company or the ultimately holding company in aggregate :</b> <b>Particulars</b>	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	<b>Equity Shares of Rs. 10 each</b>			
Hathway Cable and Datacom Limited - Holding Company	150,000	15.00	150,000	15.00
<i>(Includes Shares held by the nominee shareholders, on behalf of Holding Company)</i>				

**d) Rights, Preference and restrictions attached to Shares;**  
**Terms/ Rights attached to Equity Shares:**

The Company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per fully paid 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.

### 2.11 OTHER EQUITY

	As at	
	March 31, 2020	March 31, 2019
<b>Securities Premium*</b>		
Balance as at the beginning of the year	1,396.00	1,396.00
Balance as at the end of the year	<b>1,396.00</b>	<b>1,396.00</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	(1,495.34)	(1,422.20)
Add : Net Profit/ (Loss) for the year	(251.18)	(73.14)
Add: Adjustments during the year	(0.03)	-
Balance as at the end of the year	<b>(1,746.55)</b>	<b>(1,495.34)</b>
<b>Balance at the end of the Year</b>	<b>(350.55)</b>	<b>(99.34)</b>

\*Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the companies Act, 2013

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

### 2.12 TRADE PAYABLES

	<b>Current As at</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Trade Payables</b>		
Micro and Small Enterprises (Refer to Note no. 4.09)	-	-
Others	717.42	729.37
	<u>717.42</u>	<u>729.37</u>

### 2.13 OTHER FINANCIAL LIABILITIES

	<b>Current As at</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Other Liabilities Purchase of Property, Plant and Equipment	391.61	391.61
Other Liabilities	35.82	69.77
	<u>427.43</u>	<u>461.38</u>

### 2.14 OTHER CURRENT LIABILITIES

	<b>Current As at</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Advance from Customers	4.84	0.23
Statutory Payables	7.04	8.28
	<u>11.88</u>	<u>8.51</u>

### 3.01 REVENUE FROM OPERATIONS

	<b>Year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Sale of services</b>		
Subscription Income	442.54	485.46
	<u>442.54</u>	<u>485.46</u>

### 3.02 OTHER INCOME

	<b>Year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest on Fixed Deposits	1.07	0.96
Interest on Income Tax Refund	1.22	1.11
Unwinding Interest (Ref. Note No. 2.04)	0.03	0.04
Amount No Longer Payable Written Back (Net)	-	0.04
	<u>2.32</u>	<u>2.15</u>

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

<b>3.03 OPERATIONAL EXPENSES</b>	<b>Year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Feed charges	301.01	256.46
Commission	30.79	62.35
Other Sundry Operational Cost	9.07	9.98
Repairs & Maintenance (Plant & Machinery)	18.13	18.13
Rent	21.18	21.18
Consultancy & Technical Fees	15.45	31.13
Freight & Octroi Charges	1.19	1.32
Digital STB Subscription Expense	36.64	46.77
	<u>433.46</u>	<u>447.32</u>
<b>3.04 FINANCE COST</b>	<b>Year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest and Finance Charges	0.00	-
Bank Charges	0.00	0.19
Other Financial Charges	2.15	0.32
	<u>2.15</u>	<u>0.51</u>
<b>3.05 DEPRECIATION AND AMORTISATION</b>	<b>Year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Depreciation on Property, Plant and Equipment	77.11	69.65
	<u>77.11</u>	<u>69.65</u>
<b>3.06 OTHER EXPENSES</b>	<b>Year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Service Charges	4.04	4.04
Bad Debts	-	12.02
Less: Transfer from Provision for Doubtful Debts	-	12.02
	-	-
Allowance for doubtful debts (expected credit loss)	157.30	20.65
Allowance for Bad & Doubtful Advances	4.33	-
AMC Charges	0.42	0.37
Rates & taxes	0.01	0.03
Office Expenses	2.15	2.14
Legal & Professional Charges	0.22	0.58
Repairs & Maintenance (Others)	5.22	4.63
Communication Charges	0.23	0.25
Travelling & Conveyance	3.90	4.15
Printing & Stationery	0.37	0.53
Miscellaneous Expenses	1.96	2.50
Business Promotion Expenses	1.72	1.95
<b>Auditor's Remuneration</b>		
Statutory Audit Fees	1.10	1.10
Tax Audit Fees	-	0.35
GST Audit Fees	0.25	-
- Limited Review, Consolidation & Certification Fees	0.10	-
	<u>183.32</u>	<u>43.27</u>

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

- 4.01** The Company is wholly owned subsidiary of Hathway Cable and Datacom Limited and is engaged in the business of distribution and transmission of Cable TV signals in Delhi (DAS Area). In view of management of the Company intending to change the status of the Company from “Private Limited Company” to “Public Limited Company”, its board of directors, in their meeting held on 20th January, 2020, have accorded their approval on the same. In the matter, the Company has also taken approval of its Shareholders, by their passing Special Resolution in the EGM held on March 17, 2020. In view of this, the Company has filed application before the Registrar of Companies, Mumbai, Maharashtra, seeking approval on change of name of Company from “Hathway New Concept Cable & Datacom Private Limited” to Hathway new Concept Cable & Datacom Limited”, and necessary amendments in its MOA & AOA. The said approval is yet to be received.
- 4.02** Subsequent to the outbreak of Coronavirus (COVID -19) and consequential lock down across the country, the Company has continued to operate and provide Cable TV services to its customers 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 situation 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 are required at this stage in the stand-alone financial statements

### 4.03 DISCLOSURE AS PER IND AS 115

#### Disaggregation of Revenue

Particulars	Year ended	
	March 31, 2020	March 31, 2019
<b>Major service lines</b>		
Subscription income	412.84	368.86
Marketing and Promotion Fee	29.69	116.59
<b>Sales channels</b>		
Primary income	-	-
Secondary income	442.54	485.46

#### 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’	-	-
Contract assets (Unbilled Revenue)	2.49	7.78
Contract liabilities (Unearned Revenue)	-	-

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

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Balance at the beginning of the year	-	0.23	-	0.16
Unbilled revenue recognized during the year	-	-	-	-
Transfer from unbilled revenue recognised at the beginning of the year to trade receivables	-	-	-	-
Advance received from the customer during the year	-	4.84	-	0.23
Revenue recognised that is included in the contract liability balance at the beginning of the period	-	0.23	-	0.16
Balance at the end of the year	-	4.84	-	0.23

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

### 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 Rs. NIL as a result of obtaining customers.

Customer acquisition cost are normally amortised over a period of 10 years.

### 4.04 NOTE ON CONTINGENT LIABILITY- CLAIM AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT

The Company has received a demand of Rs. 2,35,250/- for income-tax (including interest) u/s 156 of the Income Tax Act pursuant to assessment order passed for AY 13-14 denying TDS credit claimed by the Company in its return of income. While as per the Company, it has received TDS refund of short amount as against the amount actually claimed in its return of income, aggrieved by this demand notice, the Company has filed application with the department for their passing of rectification order to cancel the above said demand and grant full refund along with applicable interest.

### 4.05 SEGMENTAL REPORTING

As the Company's business activity falls within a single business segment viz. providing Cable Television network services which is considered as the only reportable segment and the revenue substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

#### a) Description of segments and principal activities

The management examines the company's performance from its product perspective and has identified following segments of company's business.

#### Name of Business Segments

Cable TV Services (CATV)

Residual

#### b) Summary of the segmental information is as follows:

Particulars	March 31,2020				March 31,2019			
	Cable TV Services	Residual	Unallocated	Total	Cable TV Services	Residual	Unallocated	Total
<b>Segment Income</b>								
Revenue from external customers	442.54	0.86	-	443.39	485.46	0.73	-	486.19
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>442.54</b>	<b>0.86</b>	<b>-</b>	<b>443.39</b>	<b>485.46</b>	<b>0.73</b>	<b>-</b>	<b>486.19</b>
<b>Segment result</b>	<b>(249.86)</b>	<b>0.86</b>	<b>(0.16)</b>	<b>(249.16)</b>	<b>(72.54)</b>	<b>0.73</b>	<b>(0.16)</b>	<b>(71.97)</b>
Finance costs	2.15	-	0.00	2.15	0.32	-	0.19	0.51
Finance income	-	-	1.46	1.46	-	-	1.35	1.35
Other non operating income	-	-	-	-	0.04	-	-	0.04
Non-operating expense	-	-	1.33	1.33	-	-	2.06	2.06
<b>Profit before tax</b>	<b>(252.01)</b>	<b>0.86</b>	<b>(0.03)</b>	<b>(251.18)</b>	<b>(72.81)</b>	<b>0.73</b>	<b>(0.67)</b>	<b>(73.14)</b>
<b>Other information</b>								
Segment Assets	742.65	14.68	63.86	821.18	977.04	11.39	126.49	1,114.92
Segment Liabilities	477.60	-	8.03	485.63	1,021.01	-	9.58	1,030.59
Capital expenditure	5.89	-	-	5.89	1.34	-	-	1.34
Depreciation and amortisation	76.95	-	0.16	77.11	69.48	-	0.16	69.65

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

Particulars	March 31,2020				March 31,2019			
	Cable TV Services	Residual	Unallocated	Total	Cable TV Services	Residual	Unallocated	Total
<b>Unallocated assets comprise of :</b>								
Accounting Software	-	-	0.52	0.52	-	-	0.52	0.52
Interest accrued but not due on Fixed Deposits	-	-	0.32	0.32	-	-	0.15	0.15
Advance Income Tax (Net of Provision)	-	-	23.66	23.66	-	-	36.12	36.12
Cash & Cash Equivalents	-	-	39.37	39.37	-	-	89.71	89.71
	-	-	<b>63.86</b>	<b>63.86</b>	-	-	<b>126.49</b>	<b>126.49</b>
<b>Unallocated liabilities comprise of :</b>								
Payable to Creditors	-	-	0.99	0.99	-	-	1.31	1.31
Statutory Payables	-	-	7.04	7.04	-	-	8.28	8.28
	-	-	<b>8.03</b>	<b>8.03</b>	-	-	<b>9.58</b>	<b>9.58</b>

### C) Geographical information

The Company's operations are limited to only one geographical location i.e. India.

**Note:** Unallocated: Unallocated items include expenses / results, assets and liabilities (including inter-segment assets and liabilities) of head office of the Company, current taxes, deferred taxes and certain financial assets and liabilities, not allocated to the operating segments.

### 4.06 RELATED PARTY DISCLOSURES

#### Names of related parties and related party relationship-where control exists

Hathway Cable and Datacom Limited - Holding Company

#### Related parties with whom transactions have taken place

Fellow Subsidiaries:

Win Cable and Datacom Pvt Ltd

Hathway Media Vision Pvt Ltd

Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)

#### Related Party Transactions

The transactions with related parties and the closing balances due to/from parties are as follows.

Particulars	Year ended	
	March 31, 2020	March 31, 2019
<b>INCOME</b>		
<b>Subscription Income</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	29.69	116.59
<b>Interest Income on Loan</b>		
Win Cable and Datacom Pvt Ltd	0.03	0.03
Hathway Media Vision Pvt Ltd	0.00	0.01
<b>EXPENSES</b>		
<b>Feed Charges</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	301.01	256.46

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

Particulars	Year ended	
	March 31, 2020	March 31, 2019
<b>Digital STB Subscription Expense</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	36.64	46.77
<b>OTHER TRANSACTIONS</b>		
<b>Purchase of Consumable Items</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	2.71	1.40
<b>Purchase of Property, Plant and Equipment</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	4.70	-
<b>CLOSING BALANCES</b>		
<b>Non-Current Loan</b>		
Win Cable and Datacom Pvt Ltd	0.47	0.44
Hathway Media Vision Pvt Ltd	0.17	0.20
<b>Trade Payables</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	717.42	729.37
<b>Others Current Liabilities</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	391.61	391.61
<b>Other Financial Assets - Unbilled Revenue</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	2.49	7.78

### 4.07 LEASES

#### Operating Leases (As Lessee):

Operating Leases (As Lessee): The Company's significant leasing arrangements in terms of IND AS 116 are in respect of Operating Leases for Premises. These leasing arrangements, which are cancellable in nature range between 11 months to 36 months and are renewable by mutual consent.

The treatment of the rental by the Company is as under:

Rental Expenses debited to the Statement of Profit and Loss Rs. 19.93 Lakh (Rs. 19.93 Lakh; March 31, 2019)

### 4.08 EARNINGS \ (LOSS) PER SHARE

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Profit \ (Loss) after tax	(251.18)	(73.14)
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Basic/ Diluted EPS	150,000	150,000
Nominal value of ordinary shares (Rs.) (Face Value restated)	10.00	10.00
EPS - Basic & Diluted (Rupees)	(167.45)	(48.76)

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

### 4.09 Disclosure Under MSME Development Act 2006:

The Disclosure under MSME Act 2006 is as under

Particulars	Year ended	
	March 31, 2020	March 31, 2019
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting year;	Nil	Nil
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year;	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

**4.10** In view of insertion of a new section – Section 115BAA in The Income Tax Act, 1961, as introduced by the Government of India, vide Taxation Laws (Amendment) Ordinance, 2019 dated 20th of September 2019, the domestic Companies have been given option to pay tax at reduced rate of 22%, effective from FY 2019-20 (AY 2020-21) & onwards, subject to their adhering to certain conditions not to avail any exemptions/ incentives. The management of the Company has decided to opt for the new tax regime, and pay taxes at reduced rate U/s 115BAA of the Income Tax Act, 1961, and considered the impact of new tax rate in these financial statements.

**4.11** In the absence of reasonable certainty of availability of future taxable profits against which the deferred tax assets can be adjusted, the Company has recognised deferred tax assets to the extent of deferred tax liability available. (Refer to Note 2.06)

**Expiry schedule of deferred tax assets not recognised is as under :**

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25	Beyond 5 years	Indefinite	Total
Tax Losses:								
Unabsorbed depreciation	-	-	-	-	-	-	368.46	<b>368.46</b>
Carried forward unabsorbed Business Loss	-	-	-	-	-	0.00	-	<b>0.00</b>
Deductible temporary difference:								
Trade Receivable	-	-	-	-	-	-	70.20	<b>70.20</b>
<b>Total</b>	-	-	-	-	-	<b>0.00</b>	<b>438.66</b>	<b>438.66</b>

### 4.12 Capital Management

#### Risk Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders. The Company has not taken any borrowings and accordingly has no externally imposed capital restriction. The Company is subsidiary of Hathway Cable and Datacom Limited. At present, the Company is not in the need of fresh capital as it has no significant liabilities except Trade Payable to its fellow Subsidiary- Hathway Digital Private Limited. The Holding Company is committed to provide financial support to the Company as may be required to carry on as a going concern.

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

### 4.13 Financial Instruments : Accounting classifications, Fair value measurements, Financial Risk management

#### (i) Methods and assumptions used to estimate the fair values

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

The carrying amounts of trade receivables, cash and cash equivalents, short term deposits, trade payables, plant and equipment, short term loans are considered to be the same as their fair values, due to their short-term nature.

#### (ii) Categories of financial instruments and fair value hierarchy

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: inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: unobservable inputs from assets and liability

Particulars	March 31, 2020		March 31, 2019		Fair value hierarchy
	Carrying values	Fair value	Carrying values	Fair value	
<b>Financial assets</b>					
Measured at amortised cost					
Trade receivables	0.00	0.00	154.67	154.67	Level 3
Other Loans	0.64	0.64	0.64	0.64	Level 3
Other financial assets					
Interest accrued but not due (Non current)	0.32	0.32	0.15	0.15	Level 3
Interest accrued but not due (Current)	0.12	0.12	0.08	0.08	Level 3
Unbilled Revenue	2.49	2.49	7.78	7.78	Level 3
Bank deposits with more than 12 months maturity	2.90	2.90	2.90	2.90	Level 3
Bank deposits with in 12 months maturity	12.07	12.07	11.31	11.31	Level 3
Cash and cash equivalents	39.37	39.37	89.71	89.71	Level 3
<b>Financial liabilities</b>					
Measured at amortised cost					
Trade payables	717.42	717.42	729.37	729.37	Level 3
Other financial liabilities	427.43	427.43	461.37	461.37	Level 3

#### (iii) Financial Risk Management

The Company's activities are less exposed to liquidity risk and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, tradereceivables, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits, credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowings facilities.

The Company's risk management is carried out under policies approved by the board of directors.

#### Credit Risk Management

Credit risk arises from the possibility that counter party will cause financial loss to the company by failing to discharge its obligation as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

## Notes to the Financial Statements

(All Amounts are Rupees in Lakhs unless otherwise stated)

<b>Particulars</b>	<b>As at</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	679.29	676.66
<b>Age of receivables (Gross)</b>	<b>As at</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
1-90 days past due	-	93.83
91-180 days past due	-	64.02
181-365 days past due	-	89.08
More than 365 days past due	679.29	429.73
<b>Movement in the expected credit loss allowance</b>	<b>As at</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Balance at beginning of the year	521.99	513.36
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	157.30	8.63
Balance as on March 31, 2020	679.29	521.99

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

### Liquidity risk

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

Management monitors rolling forecasts of the entity's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

### Financing arrangements

The Holding Company has committed to provide necessary financial support.

### 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.

<b>As at March 31, 2020</b>	<b>less than 1 year</b>	<b>1 to 5 year</b>	<b>Total</b>
<b>Non-Derivatives</b>			
Trade payables	717.42	-	717.42
Other financial liabilities	427.43	-	427.43
	1,144.85	-	1,144.85
<b>As at March 31, 2019</b>	<b>less than 1 year</b>	<b>1 to 5 year</b>	<b>Total</b>
<b>Non-Derivatives</b>			
Trade payables	729.37	-	729.37
Other financial liabilities	461.38	-	461.38
	1,190.75	-	1,190.75

As per our report of even date

**For G.M. Kapadia & Co.**

Chartered Accountants

Firm's Registration No. 104767W

**Abhishek Singh**

Partner

Membership No. 407549

Place : Delhi

Dated : 06.04.2020

For and on behalf of the Board

**Sunil Sethi**

Director

Din : 07777524

Place : Mumbai

Dated : 06.04.2020

**Mayur Govindbhai Kanani**

Director

Din : 06590372