

Date: 12th July, 2019

To,
The Corporate Relationship Department
BSE Limited
P.J. Towers, 1st Floor,
Dalal Street,
Mumbai – 400 001
BSE Security Code: 509073

Dear Sir(s)/Madam,

Sub.: Submission of Annual Report pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any subsequent amendments or modifications thereof), please find enclosed the Annual Report of the Company for the financial year 2018-19, which has been sent to the shareholders of the Company today i.e. Friday, July 12, 2019.

Request you to take the same on record and oblige.

Thanking you,

Yours faithfully

For Hathway Bhawani Cabletel & Datacom Limited



Pallavi Balkur
Company Secretary and Compliance Officer
ACS No. 32276



Encl: As above

Hathway Bhawani Cabletel & Datacom Ltd.

Corporate Office : Bazzola Commercial Complex, A Wing, 1st Floor, Suman Nagar, Sion Trombay Road, Chembur, Mumbai - 400 071.

Tel. : +91-22-65134400 • Fax : +91-22-65134455 • E-mail : bhawani@hathway.net

Regd. Office : 805/806, Windsor, 8th Floor, Off CST Road, Kalina, Santacruz (East), Mumbai - 400 098.

Tel.: +91-22-67742500 • Fax : +91-22-67742400

CIN : L65910MH1984PLC034514

hathw@y bhawani

**HATHWAY BHAWANI
CABLETEL & DATACOM LIMITED**

**35TH
ANNUAL REPORT
2018 - 2019**

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

35th Annual Report - 2018 - 2019

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HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

BOARD OF DIRECTORS

| | | |
|-------------------------|----------------|------------------------------------|
| Mr. Vatan Pathan | (DIN:07468214) | Director & Chief Executive Officer |
| Mr. Rajesh Kumar Mittal | (DIN:07957284) | Director |
| Mr. Dilip Worah | (DIN:00047252) | Independent Director |
| Mr. L. K. Kannan | (DIN:00110428) | Independent Director |
| Ms. Pallavi Balkur | (DIN:08102789) | Director |

CHIEF FINANCIAL OFFICER

Mr. Basant Haritwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Pallavi Balkur – ACS No. 32276

STATUTORY AUDITORS

Nayan Parikh & Co. - Chartered Accountants

SECRETARIAL AUDITORS

Rathi & Associates - Company Secretaries

REGISTERED OFFICE

805/806, Windsor, 8th Floor, Off CST Road, Kalina, Santacruz East, Mumbai – 400 098.

Tel No: (022) 6774 2500 Fax No: (022) 67742400; email : investors.bhawani@hathway.net

BANKERS

Bank of Maharashtra

Axis Bank Limited

REGISTRAR & TRANSFER AGENT

M/s. Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400 059.

Tel.: (022) 62638200 Fax: (022) 62638299 Email:investor@bigshareonline.com

DETAILS OF DEMATERIALISATION OF SHARES

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

CORPORATE IDENTIFICATION NUMBER : L65910MH1984PLC034514

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

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

Tel: 91-22-67742500 Fax: 91-22-67742400

CIN: L65910MH1984PLC034514 • Email: investors.bhawani@hathway.net

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY FIFTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON WEDNESDAY, 7TH AUGUST, 2019, AT 3:00 P.M. AT GROUND FLOOR, WINDSOR, OFF CST ROAD, KALINA, SANTACRUZ EAST, MUMBAI 400 098, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2019 comprising of Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Reports of Directors and Auditors thereon, and
 - (b) the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2019 comprising of consolidated Balance Sheet as at 31st March, 2019 and the consolidated Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Report of the Auditors thereon.

and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2019 comprising of Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Reports of Directors and Auditors thereon, laid before this meeting, be and are hereby considered and adopted.

RESOLVED FURTHER THAT the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2019 comprising of consolidated Balance Sheet as at 31st March, 2019 and the consolidated Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Report of the Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

2. To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 read with rules thereunder, Mr. Vathan Pathan (DIN 07468214), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as Non-Executive Director of the Company.”

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, Section 150 and Section 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, relevant provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any amendments thereof and as per notice received under Section 160 of the Companies Act, 2013 from a shareholder proposing candidature, Mr. Dilip Worah, (DIN 00047252) be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years from the conclusion of ensuing Annual General Meeting and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary, be and are hereby severally authorised to file appropriate E-Form with the Registrar of Companies, Maharashtra, Mumbai, as also for intimating the same to any other authority as may be required.”

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, Section 150 and Section 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, relevant provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any amendments thereof and as per notice received under Section 160 of the Companies Act, 2013 from a shareholder proposing candidature, Mr. L. K. Kannan, (DIN 00110428) be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years from the conclusion of ensuing Annual General Meeting and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary, be and are hereby severally authorised to file appropriate E-Form with the

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Registrar of Companies, Maharashtra, Mumbai, as also for intimating the same to any other authority as may be required.”

BY ORDER OF THE BOARD

Place: Mumbai

Date: 8th April, 2019

Pallavi Balkur

Company Secretary & Compliance Officer

ACS No: 32276

Registered Office

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

CIN: L65910MH1984PLC034514

Tel No. 022-6774 2500 Fax No. 022-6774 2400

Website: www.hathwaybhawani.com

E-mail: investors.bhawani@hathway.net

NOTES:

1. Pursuant to the requirement of Secretarial Standard-2 which has come into effect from 1st July 2015, the route map for the venue of the Annual General Meeting, also indicating therein the prominent land mark for the venue has been annexed to the notice.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend, and on a poll, to vote instead of himself/herself and such proxy need not be a member of the Company.
3. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the meeting. Proxies submitted on behalf of the companies, must be supported by appropriate resolution / authority, as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying

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voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of the proxy shall prove his identity at the time of attending the Meeting.

5. Pursuant to the amendment to the section 139 of the Companies Act, 2013, effective from 7th May, 2018, the ratification of the appointment of auditors by the members at every Annual General Meeting has been done away with. Accordingly, the ratification of appointment of M/s. Nayan Parikh & Co., Chartered Accountants, who were appointed as the Statutory Auditors at the Thirty Third Annual General Meeting held on 26th September, 2017, for a period of 5 years, is not required at the ensuing Annual General Meeting.
6. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the Meeting together with the specimen signature of the Authorized representative.
7. Any member proposing to seek any clarification on the accounts, is requested to send the queries to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
8. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
9. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, for Special Business, setting out all material facts and the statement of particulars of directors seeking re-appointment, are annexed hereto.
10. Members are requested to bring their copy of Annual Report, necessary details of their shareholding and attendance slip(s) to the meeting.
11. The Annual Accounts of the Subsidiary Company shall be available at the Registered Office of the Company for inspection by any shareholder.
12. Hard copy of the details of accounts of subsidiary required by any shareholders can be obtained with a written request to the Company Secretary at the Registered Office of the Company.
13. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all

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working days, except Saturdays, during business hours up to the date of the Meeting.

14. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold in physical form are requested to write their folio number in the attendance slip.
15. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent in respect of shares held in physical form and with respective Depository Participants (DP) where the shares are held in dematerialized form. Shareholders holding shares in physical form can send their email address for registration to investor@bighshareonline.com quoting the Folio Number and Name of the Company.
16. The Company is providing Facility for Voting by Electronics Means and the business may be transacted through E-Voting.
17. The Annual Report and other documents will also be available on the Company's website www.hathwaybhawani.com. The Company will be sending physical copy of Annual Report and other documents to all shareholders whose email address is not available with the Company. You may, anytime, request a printed copy of the Annual Report and other documents from the Company in spite of having registered under E-Communication facility.
18. Remote E-voting: In compliance with the provisions of Section 108 of Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (LODR) the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice.
19. The Facility for voting through ballot or polling paper shall be made available at the meeting and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting.

THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The voting period begins on **Sunday, August 4, 2019 at 10:00 am** and ends on **Tuesday, August 6, 2019 at 5:00 pm**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Wednesday, July 31, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the address sticker / Attendance slip indicated in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to

vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Hathway Bhawani Cabletel & Datacom Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

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- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of **Wednesday, July 31, 2019**.

Mr. Himanshu S. Kamdar, Practicing Company Secretary (Membership No. 5171) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared after the conclusion of the Annual General Meeting of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.hathwaybhawani.com and on the website of CDSL. The results will also be communicated to the Stock Exchanges on which the Company’s equity shares are listed.

BY ORDER OF THE BOARD

Place: Mumbai
Date: 8th April, 2019

Pallavi Balkur
Company Secretary & Compliance Officer
ACS No: 32276

Registered Office

805/806, Windsor, 8th Floor, Off CST Road,
Kalina, Santacruz (East), Mumbai – 400098
CIN: L65910MH1984PLC034514
Tel No. 022-6774 2500 Fax No. 022-6774 2400
Website: www.hathwaybhawani.com
E-mail: investors.bhawani@hathway.net

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Pursuant to Regulation 25 of the SEBI (LODR), Regulations 2015, Mr. Dilip Worah and Mr. L.K. Kannan are holding the office of Directors categorised as Independent Directors of the Company. As per the provisions of Section 149(4) of the Companies Act, 2013, it would be necessary to have atleast one third of the total number of directors as independent directors. The provisions of sub Section 10 of Section 149 further stipulates that an independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall not be liable to retire by rotation.

It is proposed to appoint the present Independent Directors viz. Mr. Dilip Worah and Mr. L.K. Kannan as Independent Directors for a period of five years from the date of Annual General Meeting.

The Nomination and Remuneration Committee has recommended and the Board of Directors of the Company has formed an opinion that the Independent Directors fulfil the conditions specified in the Companies Act, 2013 for such an appointment.

Justification under Section 150(2) of the Companies Act, 2013 for considering the appointment of each of the independent directors is as under:

Mr. Dilip Worah has a wide experience of 25 years in the field of Audits, Internal Audits, Bank Audits, Income Tax and Indirect Tax matters, Company Law, Investments, Finance and Business Advisory.

Mr. Worah serves as Director of Ulka Finance & Investment Private Limited. Mr. Worah is a member of the Institute of the Chartered Accountants of India. He jointly holds along with his wife, 200 equity shares of the company.

Mr. L. K. Kannan is a Commerce Graduate. Mr. L. K. Kannan has been Director of Hathway Bhawani Cabletel & Datacom Limited. since December 30, 2005. Mr. Kannan is in service since last 30 years. Mr. Kannan serves as Director of Integra Unisource Private Limited. He does not hold an equity shares in the company.

As per the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Board of Directors of the Company has received declaration from the Independent Directors that they meet the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013.

Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fees provided under sub-section (5) of Section 197 of the Companies Act, 2013, reimbursement of expenses for participation in the Board and other meetings and profit

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

related commission, if any, as may be approved by the members.

As per the provisions of Section 160 of the Companies Act, 2013, the Company has received notice under Section 160 of the said Act from shareholders proposing the candidature, for the office of a Director of the Company for each of the aforesaid Directors.

Mr. Dilip Worah and Mr. L. K. Kannan deemed to be interested or concerned in their respective resolution for appointment. Apart from the said directors, none of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested in the above resolutions.

Your Directors recommend the resolutions as mentioned in Item Nos. 3 & 4 of the Notice for your approval.

Details of directors seeking re-appointment at the 35th Annual General Meeting

| | |
|---|--|
| Name of Director | Mr. Vatan Pathan |
| Date of Birth | 25/03/1973 |
| Nationality | Indian |
| Date of Appointment on the Board | 07/11/2017 |
| Qualification | Mechanical Engineer |
| Expertise in Specific Functional Area | Cable TV Operations |
| Number of shares held in the Company | Nil |
| Disclosure of relationships between directors inter-se | NA |
| Names of listed entities in which the director holds the directorship and the membership of the Committees of the Board | <ul style="list-style-type: none">• Listed entities in which the director holds the directorship Nil• Listed entities in which the director holds the membership of the Committees of the Board Nil |

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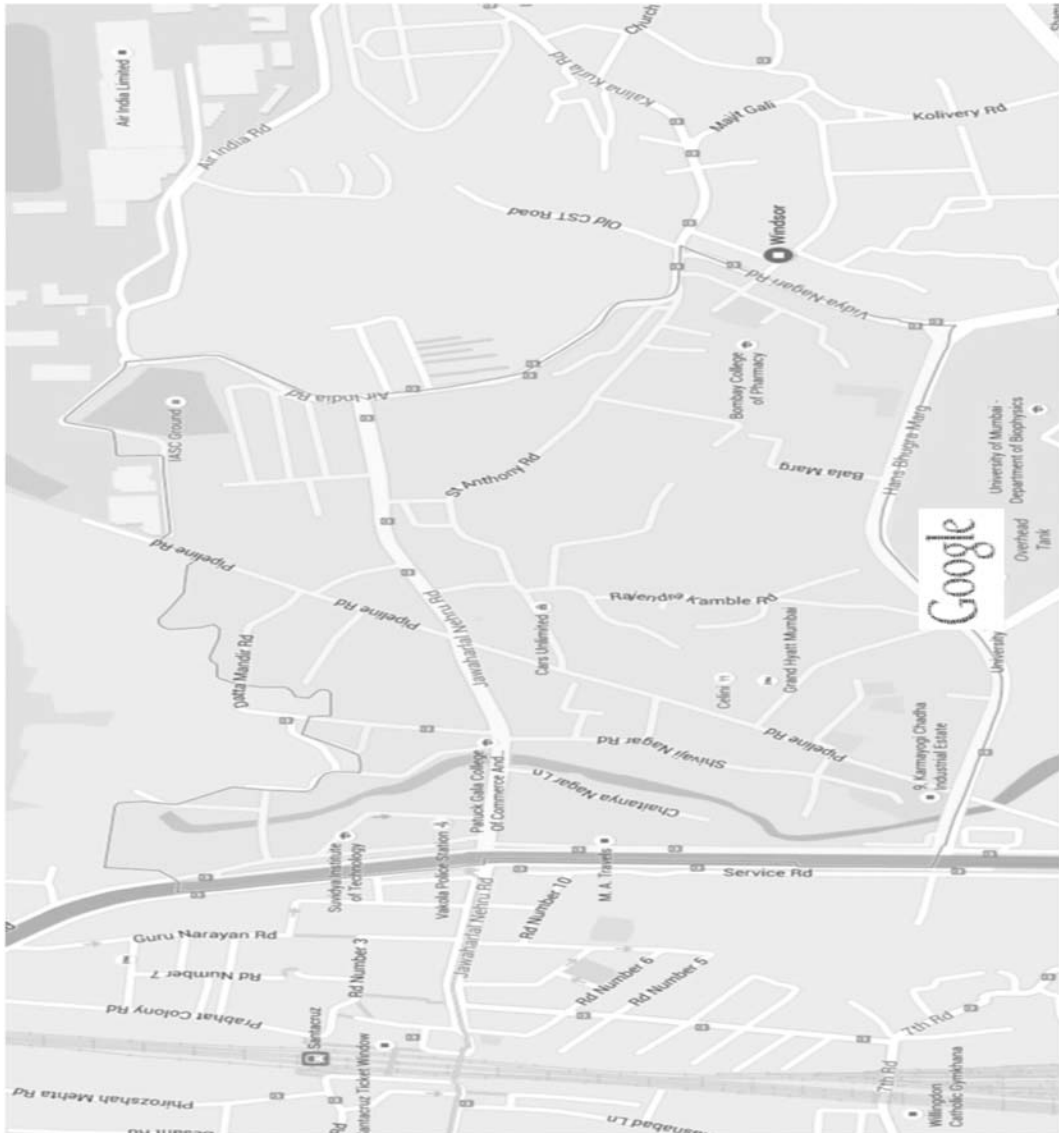
Details of Directors seeking appointment at the forthcoming Annual General Meeting [Regulation 36(3) of the Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2] are as under:

| Name of Director | Mr. Dilip Worah | Mr. L.K. Kannan |
|--|---|---|
| Date of Birth | 22.05.1960 | 29.03.1956 |
| Age in years | 59 | 63 |
| Nationality | Indian | Indian |
| Date of first Appointment on the Board | 30.12.2005 | 30.12.2005 |
| Qualifications | B.Com, CA | B.Com |
| Expertise in Specific Functional Area | wide experience of 25 years in the field of Audits, Internal Audits, Bank Audits, Income Tax and Indirect Tax matters, Company Law, Investments, Finance and Business Advisory. | Mr. Kannan is in service since last 30 years. |
| Number of shares held in the Company | 200 (Jointly held with wife) | Nil |
| List of the directorships held in other companies* | Nil | Nil |
| Chairman/ Member in the Committees of the Boards of companies in which he/she is Director* | Nil | Nil |
| Terms and conditions of appointment, if any | NA | NA |
| Relationship, if any, with other Directors and Key Managerial Personnel | NA | NA |
| No. of Board Meetings attended during the year | 5 | 5 |
| No. of Committee meetings attended during the year | 5 | 5 |

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

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

ROAD MAP TO VENUE OF ANNUAL GENERAL MEETING



BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Fifth Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2019.

1. COMPANY SPECIFIC INFORMATION:

a. Financial Highlights :

The Company's performance during the year ended 31st March, 2019 as compared to the previous financial year, is summarized below:

| Particulars | Standalone | | Consolidated | |
|--|-------------|---------------|--------------|-------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Operating & Other Income | 489.79 | 731.93 | 489.79 | 731.93 |
| Earnings before interest, depreciation, amortization & taxes | 174.33 | 67.85 | 174.33 | 67.85 |
| Interest | 25.39 | 17.59 | 25.39 | 17.59 |
| Depreciation & Amortization | 128.71 | 66.97 | 128.71 | 66.97 |
| Exceptional Items | 14.52 | - | 14.52 | - |
| Provision for Taxation - Current Tax & Deferred Tax | - | - | - | - |
| Share of profit / (loss) of Joint Ventures | - | - | (3.51) | 15.48 |
| Other Comprehensive Income/(Loss) | 1.69 | 7.66 | 1.69 | 7.66 |
| Total Comprehensive Income / (Loss) | 7.40 | (9.05) | 3.89 | 6.43 |

During the year under review, the total income of your Company was Rs. 7.40 lakhs as compared to last year's loss of Rs. 9.05 lakhs on standalone basis. Since the commencement of the financial year under review, there was no change in the business model.

b. Transfer to reserves:

During the financial year under review, the Board of Directors of Company have not recommended transfer of any amount to reserves.

c. Dividend:

Your directors have not recommended any dividend for the financial year under review.

d. General Review and State of Company Affairs :

Cable TV Business:

With effect from 01st Feb'19 the New Tariff Order as per TRAI guidelines were implemented which will enable the end users / subscribers to choose and select their own Channel Pack like Broadcasters Pack or DPO Pack or on A-la-carte basis according to their needs and likes. New Tariff Order directs all the broadcasters to price and provide their channels at the same rate to all service providers such as DPOs, DTH, IPTV or HITS operators which ensured a complete level playing field for all the stakeholders and to bring complete transparency in to this industry by avoiding the different pricing methodology for different platform operators which were in use earlier. This New Tariff Order implementation will certainly bring the much needed transparency within the Industry and will drive growth in future exponentially.

e. Material Changes and commitments, if any, affecting the financial position of the Company :

During the year under review, Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited and Jio Cable and Broadband Holdings Private Limited (collectively referred to as the "Acquirers") together with Reliance Industries Limited, Digital Media Distribution Trust, Reliance Content Distribution Limited and Reliance Industrial Investments and Holdings Limited (collectively referred to as the "PACs") invested in the Holding Company (Hathway Cable and Datacom Limited (HCDL)) to the tune of 71.96 % out of which 51.34% was invested via preferential allotment done by HCDL and the remaining 20.61% was through the open offer made to the shareholders of HCDL. As a result of such investment, there was an indirect investment in your Company by the aforesaid Acquirers together with PACs, which triggered a mandatory open offer which was made by the Acquirers and PACs in compliance with Regulation 3(1), 4 and 5(1) of SEBI (SAST) Regulations.

The Acquirers and PACs made an offer to the Public Shareholders of the Company to acquire up to 21,06,000 Equity Shares constituting 26% of the voting share capital, at a price of Rs. 2.46 per share.

2. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there has been no change in the nature of business.

3. CONSOLIDATED ACCOUNTS:

The consolidated financial statement of your Company for the financial year 2018-19 is prepared in compliance with applicable provisions of the Companies Act, 2013, Indian Accounting Standards (IND-AS) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereon.

4. MANAGEMENT :

a. CHANGE IN BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Vatan Pathan was appointed as Chief Executive Officer of the Company with effect from April 3, 2018. Mr. P. V. Shyam, Director (DIN: 07247247) resigned with effect from April 04, 2018. Mr. Rajesh Kumar Mittal (DIN: 07957284) and Ms. Pallavi Balkur (DIN: 08102789) were appointed as the additional directors on the Board with effect from April 06, 2018 and who got regularized in the Annual General Meeting of the Company held on September 6, 2018.

Mr. Manoj Dere, Company Secretary and Compliance Officer of the Company resigned with effect from October 4, 2018. Ms. Pallavi Balkur was appointed as the Company Secretary and Compliance Officer of the Company with effect from October 25, 2018.

In accordance with the provisions of the Companies Act, 2013, none of the Independent Directors are liable to retire by rotation.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Vatan Pathan, Director and Chief Executive Officer would retire by rotation at the ensuing Annual General Meeting. Being eligible, Mr. Vatan Pathan has offered himself for reappointment.

Pursuant to the provisions of the Companies Act, 2013, the shareholders in the 30th Annual General Meeting of your Company held on 10th September, 2014 appointed Mr. Dilip Worah and Mr. L.K. Kannan as Independent Non-Executive Directors to hold office for a period of five years. Mr. Worah and Mr. Kannan are eligible for re-appointment as Independent Non-Executive Directors for a second term of five years. Pursuant to the provisions of the Act, based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the Members through a Special Resolution in the 35th AGM of the Company, the re-appointment of Mr. Worah and Mr. Kannan

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

as Independent Non-Executive Directors for second term of five consecutive years from 10th September, 2019 up to 6th August, 2024.

b. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulations.

c. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

The Company has formulated and adopted the Code of Conduct for Directors, Key Managerial Personnel and Senior Management as per the provisions of the SEBI Listing Regulations and the Act. The Directors, Key Managerial Personnel and Senior Management have affirmed compliance with the Code of Conduct laid down by the Company.

d. BOARD MEETINGS:

The Board of Directors met 5 times during the financial year ended 31st March, 2019 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Board of Directors met during the financial year under review are as under:

| Sr. No. | Date of the Board Meeting |
|----------------|----------------------------------|
| 1 | 3 rd April, 2018 |
| 2 | 8 th May, 2018 |
| 3 | 26 th July, 2018 |
| 4 | 25 th October, 2018 |
| 5 | 24 th January, 2019 |

e. COMMITTEES :

AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee as on the date of this report comprises of:

| Sr. No. | Name of the Member | Designation |
|----------------|---------------------------|--------------------|
| 1 | Mr. Dilip Worah | Chairman |
| 2 | Mr. Rajesh Kumar Mittal | Member |
| 3 | Mr. L. K. Kannan | Member |

The scope and terms of reference of the Audit Committee have been amended in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments thereon.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company is in accordance with the requirements of Section 178 of the Act.

The composition of the committee as on the date of this report is as under:

| Sr. No. | Name of the Member | Designation |
|----------------|---------------------------|--------------------|
| 1 | Mr. L. K. Kannan | Chairman |
| 2 | Mr. Vatan Pathan | Member |
| 3 | Mr. Dilip Worah | Member |

The Board of Directors have in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining credentials, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The same is available on the website of the Company in the web link <http://hathwaybhawani.com/wp-content/uploads/2019/04/hathway-bhawani-nrc-policy.pdf>.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholder's Relationship Committee,

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

comprising of:

| Sr. No. | Name of the Member | Designation |
|---------|-------------------------|-------------|
| 1 | Mr. Vathan Pathan | Chairman |
| 2 | Mr. Rajesh Kumar Mittal | Member |
| 3 | Mr. Dilip Worah | Member |

MEETING OF INDEPENDENT DIRECTORS:

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Director or management personnel and is conducted informally. A meeting of Independent Director was held on 24th January, 2019, during the year under review.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee as under:

| Sr. No. | Name of the Member | Designation |
|---------|-------------------------|-------------|
| 1 | Mr. Dilip Worah | Chairman |
| 2 | Mr. Vatan Pathan | Member |
| 3 | Mr. L. K. Kannan | Member |
| 4 | Mr. Rajesh Kumar Mittal | Member |

The Board of Directors of the Company have approved CSR Policy based on the recommendation of the CSR Committee. Since the Company has no profits in preceding 3 financial years, the Company was not required to spend any amount for corporate social responsibility activities. In view of the same no meeting of CSR Committee was held in the financial year under review.

f. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

g. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

The performance of the Board of Directors and its Committees, Individual Directors and Chairman was evaluated and the same was recorded as satisfactory. The manner of performance evaluation was carried as set out in Nomination and Remuneration Policy.

h. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review has been marked as **Annexure I**.

i. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Act, in relation to the audited financial statements of the Company for the year ended 31st March, 2019, the Board of Directors of the Company hereby state that:

- a. In the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures;
- b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at end of the financial year and the profit and loss of the Company for that period;
- c. They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the Annual Accounts of the Company on a going concern basis;
- e. They have laid down internal financial controls, which are adequate and are operating effectively; and
- f. They have devised proper systems to ensure compliance with the

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

provisions of all applicable laws and such systems are adequate and operating effectively.

j. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS :

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations have been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

5. DISCLOSURES RELATING TO SUBSIDIARY :

a. Report on performance of subsidiary company :

A statement containing the performance and financial position of the subsidiary company, for the year ended 31st March, 2019 is given, pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014 in AOC-1 in **Annexure – II** to this report. The details of subsidiary is as follows :

| PARTICULARS OF SUBSIDIARY COMPANY | | | | | |
|-----------------------------------|---|---------------------------|----------------------------------|-------------------|--------------------|
| Sl. No. | Name and address of the Company | CIN / GLN | Holding / subsidiary / associate | % of Shareholding | Applicable section |
| 1 | Hathway Bhawani NDS Network Pvt. Ltd. 805/806, Windsor, 8 th Floor, Off CST Road, Kalina, Santacruz East, Mumbai 400098 | U74990MH2010P TC208960 | Subsidiary | 51% | 2(87)(ii) |

The financial statements of the subsidiary company and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the AGM as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company.

6. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

There are no loans given, investments made, guarantees given and securities provided during the year under review.

7. RELATED PARTY TRANSACTIONS:

During the year, the Company had not entered into any contract / arrangement /

transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. have been furnished in **Annexure III** which forms part of this Report.

9. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

10. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company have, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

11. MATERIAL ORDERS OF JUDICIAL BODIES/REGULATORS :

There were no significant or material orders passed by the Regulators/Courts/Tribunals/ Statutory and quasi-judicial body which impact the going concern status and Company's operations in future.

12. AUDITORS AND REPORTS :

The matters related to Auditors and their Reports are as under:

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

a. Observations of Statutory Auditors on Accounts for the year ended 31st March, 2019:

The report of Statutory Auditors on accounts for the year ended 31st March, 2019 forms part of the financial statement. The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2019 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board of Directors under Section 134(3) of the Act.

b. Secretarial audit report for the year ended 31st March, 2019:

M/s. Rathi and Associates, Company Secretaries had been appointed to conduct the Secretarial Audit and to issue Secretarial Audit Report for the financial year 2018-19.

Secretarial Audit Report issued for the financial year 2018-19 forms part to this report and the same is attached as **Annexure - IV**. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

13. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS :

The Board of Directors of the Company have complied with Secretarial Standards 1 and 2 relating to 'Meetings of the Board of Directors' and 'General Meetings, respectively and has voluntarily adopted Secretarial Standard 4 relating to 'Board's Report' to a reasonable extent possible.

14. ANNUAL RETURN :

The Annual Return of the Company has been placed on the website of the Company and can be accessed at www.hathwaybhawani.com.

15. OTHER DISCLOSURES :

OTHER DISCLOSURES AS PER PROVISIONS OF SECTION 134 OF THE ACT READ WITH COMPANIES (ACCOUNTS) RULES, 2014 ARE FURNISHED AS UNDER

CORPORATE GOVERNANCE: (Applicable to Companies giving remuneration as per Section II of Schedule V):

| | |
|--|----------------|
| All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors | Not Applicable |
| Details of fixed component and performance linked | Not Applicable |

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| | |
|--|----------------|
| incentives along with the performance criteria | |
| Service contracts, notice period, severance fees | Not Applicable |
| Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable | Not Applicable |

16. MANAGEMENT DISCUSSION AND ANALYSIS :

In terms of provisions of Regulation 34 of SEBI (LODR), the Management Discussion and Analysis is set out in the Annual Report of the Company.

17. DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 :

There were no cases/ complaints filed during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, the Company has constituted an Internal Complaints Committee as required under the said Act.

18. GENERAL :

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
3. Issue of sweat equity shares to employees of the Company as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
4. Issue of equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.
5. Instances of exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

6. Issue of debentures/bonds/warrants/any other convertible securities.
7. Instances of transferring the funds to the Investor Education and Protection Fund.
8. Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director of the Company.
9. Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.
10. There were no frauds reported by the auditor of the Company pursuant to sub-section 12 of section 143 of the Act.
11. Statement of deviation or variation in connection with preferential issue.

19. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions, Regulatory bodies and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board

Vatan Pathan

Director & CEO

DIN: 07468214

Date: 8th April, 2019

Place: Mumbai

Rajesh Kumar Mittal

Director

DIN: 07957284

Registered Office

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

Kalina, Santacruz (East), Mumbai – 400098

CIN: L65910MH1984PLC034514

Tel No. 022-6774 2500 Fax No. 022-6774 2400

Website: www.hathwaybhawani.com

E-mail: investors.bhawani@hathway.net

ANNEXURE I

DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

Median Remuneration: Rs. 264,012/- per annum.

Director: Remuneration paid to the CEO: NIL

The percentage increase in the median remuneration of employees in the financial year: 0.12%

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

| Sr. No. | Name of the Director/KMP & their Designation | Remuneration of Managing Director for financial year 2018-19 (Amount in Rs.) | % increase in Remuneration in the Financial Year 2018-19 | Ratio of remuneration of each Director/ to median remuneration of employees | Comparison of the Remuneration of the Directors/KMP against the performance of the Company |
|---------|---|--|--|---|--|
| 1. | Mr. Vatan Pathan, CEO & Director | Nil | Nil | Nil | Nil |
| 2. | Mr. Basant Haritwal, Chief Financial Officer | Nil | Nil | Nil | Nil |
| 3. | Mr. Manoj Dere ¹ , Company Secretary | Nil | Nil | Nil | Nil |
| 4. | Ms. Pallavi Balkur ² , Company Secretary | Nil | Nil | Nil | Nil |

Note: The Managing Director/KMP's are getting remuneration from the holding Company.

¹ Resigned with effect from 4/10/2018

² Appointed with effect from 25/10/2018

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

There were 15 permanent employees on the rolls of the Company.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year: **Nil**

Percentile increase in the managerial remuneration: **Nil**

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

| Highest paid Director | | Employees other than directors receiving remuneration in excess of the highest paid Director | | Ratio of remuneration |
|-----------------------|-----------------------|--|-----------------------|-----------------------|
| Name of Director | Remuneration received | Name of Employee | Remuneration received | |
| Not Applicable | | | | |

The Company hereby affirms that the remuneration is as per the remuneration policy of the Company.

STATEMENT PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

- A. List of employees of the Company employed throughout the financial year 2018-19 and were paid remuneration not less than Rs. 102 Lakhs per annum:

| Sr. No. | Name | Designation | Date of Joining | Remuneration | Age (years) | Experience (Years) | Qualification | Last employment and designation held |
|---------|------|-------------|-----------------|--------------|-------------|--------------------|---------------|--------------------------------------|
| Nil | | | | | | | | |

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- B. Employees employed for the part of the year and were paid remuneration during the financial year 2018-19 at a rate which in aggregate was not less than Rs. 8.50 Lakhs per month:

| Sr. No. | Name | Designation | Date of Joining | Remuneration | Age (years) | Experience (Years) | Qualification | Last employment and designation held |
|---------|------|-------------|-----------------|--------------|-------------|--------------------|---------------|--------------------------------------|
| Nil | | | | | | | | |

For and on behalf of the Board**Vatan Pathan***Director & CEO*

DIN: 07468214

Date: 8th April, 2019

Place: Mumbai

Rajesh Kumar Mittal*Director*

DIN: 07957284

Registered Office805/806, Windsor, 8th Floor, Off CST Road,
Kalina, Santacruz (East), Mumbai – 400098

CIN: L65910MH1984PLC034514

Tel No. 022-6774 2500 Fax No. 022-6774 2400

Website: www.hathwaybhawani.comE-mail: investors.bhawani@hathway.net

| Annexure -II | | | | | | | | | | | | | |
|--|---|------|---------------|----------------------|--------------|-------------------|-------------|----------|------------------------|------------------------|-----------------------|-------------------|-------------------|
| STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES, PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 AND 8 OF COMPANIES (ACCOUNTS) AOC - 1 - Part A | | | | | | | | | | | | | |
| (Rs. In Lakhs unless Otherwise Stated) | | | | | | | | | | | | | |
| Reporting period: 01/04/2018 to 31/03/2019 & Reporting Currency in INR | | | | | | | | | | | | | |
| Sr. No. | Name of the Subsidiary | Note | Share Capital | Reserves and Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of Shareholding |
| 1 | Hathway Bhawani NDS Network Private Limited | | 155.00 | 93.90 | 75.72 | 14.62 | 0.60 | 115.30 | (10.37) | (3.48) | (6.89) | - | 51.00 |

AOC - 1 - Part B
Statement pursuant to section 129(3) of the Companies Act, 2013 relating to Associate Companies and Joint Ventures

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

ANNEXURE III

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013
READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) Conservation of energy:

| | |
|--|----------------|
| Steps taken or impact on conservation of energy | Not Applicable |
| Steps taken by the company for utilizing alternate sources of energy | |
| Capital investment on energy conservation equipments | |

(B) Technology absorption:

| | |
|--|----------------|
| Efforts made towards technology absorption | Not Applicable |
| Benefits derived like product improvement, cost reduction, product development or import substitution | |
| In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): | Not Applicable |
| Details of technology imported | |
| Year of import | |
| Whether the technology has been fully absorbed | |
| If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | |
| Expenditure incurred on Research and Development | |

(C) Foreign exchange earnings and Outgo:

| | 1 st April, 2018 to 31 st March, 2019 [Current F.Y.] | 1 st April, 2017 to 31 st March, 2018 [Previous F.Y.] |
|----------------------------------|--|---|
| | Amount (Rs. In Crores) | Amount (Rs. In Crores) |
| Actual Foreign Exchange earnings | Nil | Nil |
| Actual Foreign Exchange outgo | Nil | Nil |

For and on behalf of the Board

Vatan Pathan
Director & CEO
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Date: 08/04/2019
Place: Mumbai

Registered Office
805/806, Windsor 8th Floor, Off CST Road,
Kalina, Santacruz (East)
Mumbai - 400098
CIN: L65910MH1984PLC034514
Tel No. 022-26001306 Fax No. 022-26001307
Website: www.hathwaybhawani.com
Mail: investors.bhawani@hathway.net

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Annexure - IV

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

To,
The Members

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

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

Dear Sirs,

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure I**, for the Financial Year ended on 31st March, 2019, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment.
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:-
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
 - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;and
 - iv. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report:-
- (i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (iv) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; and
 - (v) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
3. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings were not attracted to the Company under the financial year under report.
4. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws specifically

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

applicable to the Company:

- (i) Cable Television Networks (Regulation) Act, 1995, Cable Television Network (Regulation) Rules, 1994 and Content Certification Rules, 2008;
- (ii) The Cinematography Act, 1952;
- (iii) Telecom Regulatory Authority of India Act, 1997;
- (iv) Indecent Representation of Women (Prohibition) Act, 1986.

We have also examined compliance with the applicable clauses of Secretarial Standards-1 and 2 issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013 and during the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

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

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

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

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

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

We further report that during the year under report, Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited and Jio Cable and Broadband Holdings Private Limited (collectively referred to as the "Acquirers") together with Reliance Industries Limited, Digital Media Distribution Trust, Reliance Content Distribution Limited and Reliance Industrial Investments and Holdings Limited (collectively referred to as the

“PACs”) invested in the Holding Company (Hathway Cable and Datacom Limited (HCDL)) to the tune of 71.96 % out of which 51.34% was invested via preferential allotment done by HCDL and the remaining 20.61% was through the open offer made to the shareholders of HCDL. Pursuant to the above, the Acquirers acquired sole control of HCDL.

HCDL holds an aggregate of 51.60% of the Voting Share Capital of the Company in the following manner:

- a. HCDL directly holds 24.94% of the Voting Share Capital in the Company; and
- b. HCDL, through its wholly owned subsidiary, Hathway Media Vision Private Limited (“**HMVPL**”), holds 26.67% of the Voting Share Capital in the Company.

Furthermore, HCDL and HMVPL are classified as promoters of the Company. Therefore, the Acquirers and PACs made Open Offer to the Public Shareholders of the Company in compliance with Regulations 3(1), 4 and 5(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to acquire up to 21,06,000 Equity Shares constituting 26% of the voting share capital, at a price of Rs. 2.46 per share. The said Open Offer was pursuant to an indirect acquisition of voting rights of the Company by the Acquirers.

For Rathi & Associates, Company Secretaries

Himanshu S. Kamdar

Partner

FCS: 5171

COP: 3030

Note: This report should be read with our letter of even date which is annexed as Annexure-II and forms an integral part of this report.

ANNEXURE – I

List of documents verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March, 2018;
3. Minutes of the Board of Directors and Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee of the Company along with the respective Attendance Registers for meetings held during the Financial Year under report;
4. Minutes of General Body Meeting(s) held during the Financial Year under report;
5. Proof of circulation and delivery of notice, agenda and notes to agenda for Board and Committee Meetings ;
6. Policies framed by the Company under the SEBI (Listing Obligations and Disclosure Requirements), 2015 ;
7. Statutory Registers under the Companies Act, 2013 ;
8. Copies of Notice, Agenda and Notes to Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings;
9. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013;
10. e-Forms filed by the Company from time to time under applicable provisions of the Companies Act, 2013 and attachments thereof during the Financial Year under report;
11. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement entered with the Stock Exchanges and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report;
12. Internal Code of Conduct for prevention of Insider Trading by Employee/Directors/ Designated Persons of the Company;
13. Compliance Certificate placed before the Board of Directors from time to time;
14. Statements on Related Party Transactions;
15. Details of Sitting Fees paid to all directors for attending the Board Meetings and Committees.
16. e-Forms filed by the Company from time to time under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
17. Circular resolutions passed by the directors/ members during the said audit period under review.

ANNEXURE – II

To

The Members

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

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

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Rathi & Associates, Company Secretaries

Himanshu S. Kamdar

Partner

FCS: 5171

COP: 3030

Place: Mumbai

Date: 8th April 2019

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERALL REVIEW

India's robust GDP growth will continue in 2019 driven by sectors such as services, infrastructure and better demand conditions arising out of election spending, according a report.

The Confederation of Indian Industry (CII), in its 'Growth Outlook for 2019' report, stated that despite 2018 being filled with external vulnerabilities arising out of higher oil prices, trade wars between major global trading partners and US monetary tightening, Indian economy outshined as the world's fastest growing major economy in 2018.

Better demand conditions, settled GST implementation, capacity expansion resulting from growing investments in infrastructure and continuing positive effects of the reform policies undertaken and improved credit off-take, especially in services sector at 24 per cent, will sustain the robust GDP growth in the range of 7.5 per cent in 2019.

Drivers for growth

According to the report, there are seven key drivers for growth including GST, Insolvency and Bankruptcy Code, ease of doing business, agriculture, credit flow, oil price and infrastructure.

The report suggested that the GST Council should consider extending GST to fuels, real estate, electricity and alcohol to drive growth.

While IBC is a welcome move, additional benches for National Company Law Tribunal across India should be set up for easier and faster exit of distressed businesses.

The report also pointed out that India should continue to guard against the risks of higher oil prices by increasing domestic oil production, providing a special window for oil marketing companies to procure oil and stepping up diplomacy with the US to continue to secure purchase from Iran.

This will also help in effective exchange rate management, the report added.

INDUSTRY REVIEW

Indian media and entertainment (M&E) industry grew at a strong 13.4% in 2018, beating GDP growth rate, and reached Rs 1.67 trillion. Increasing disposable income and economic growth and India having second highest number of internet users after China with ~570 million internet subscribers, have worked in the favour of the industry in 2018, and poised to reached Rs 2.35 trillion by 2021.

According to the FICCI-EY report, digital and online gaming have seen the fastest growth, followed by live events and animation.

Traditional media including television, music, and films continued to show double digit growth.

“The M&E sector has a significant opportunity given India’s young demographics. The growth of digital infrastructure is further enabling Indians to fulfil the need for personal.

The report also noted that advertising budgets continued the shift towards digital media despite fears of advertising fraud. While the sector now commands 21% of total advertising, it was the digital subscription which witnessed a massive growth on a smaller base.

On the back of subscription-led services like Netflix, Amazon Prime, Hotstar and more, subscription revenue grew by over 262% to Rs 1,420 crore, from just Rs 390 crore in 2017.

Television grew at 12% to Rs 74,000 crore.

OPPORTUNITIES, THREATS AND BUSINESS OUTLOOK

- Tariff Order implementation resulting in identifying the demand for the channel / bouquet of channels as the subscribers will choose and view their choice of channels as per the MRP declared by the broadcasters.
- DPOs get the benefit of creating tailor made packs as per the over all consumer’s demand per market requirement
- New Tariff Order implementation has resulted in initial loss of subscribers due to lack of awareness / knowledge among the consumers to submit their choice of channels by the deadline date
- Possibility of consumers shifting to competing smaller DPOs or DTH operators due to different approach in charging the Basic and Additional NCFs (Network Capacity Fee) market to market by them. Reportedly, some of the smaller DPOs have relinquished major portion of their NCF and given away those as benefits to LCOs resulting in creating LCO Share issue between LCOs and DPOs.

The Company is taking various steps to improve performance by:

- a) Improving efficiency through combination of strategies such as channel packages, promoting HD and persuading LCO’s and consumers to move towards DPO packs comprised with most viewed channel / content at a reasonably affordable price
- b) Curtailing overheads by exercising strict control and regular review mechanism.
- c) Stringent control procedures for fast recoveries.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

INTERNAL CONTROL SYSTEMS AND ADEQUACY

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

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

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

HUMAN RESOURCES

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

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

COMPANY'S FINANCIAL PERFORMANCE AND ANALYSIS

(Rs. In Lakhs)

| Particulars | Year ended March 31, | |
|----------------------------|----------------------|---------------|
| | 2019 | 2018 |
| INCOME | | |
| Revenue from Operations | 471.17 | 487.04 |
| Other Income | 18.62 | 244.89 |
| TOTAL INCOME | 489.79 | 731.93 |
| EXPENSES | | |
| Feed Charges | 122.79 | 134.38 |
| Other Operational Expenses | 57.88 | 86.16 |
| Employee Benefit Expenses | 52.23 | 57.35 |
| Finance Cost | 25.39 | 17.59 |

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| | | |
|--|---------------|---------------|
| Depreciation, amortisation and impairment | 128.71 | 66.97 |
| Other Expenses | 82.56 | 386.19 |
| TOTAL | 469.56 | 748.64 |
| Profit / (Loss) before exceptional Items and tax | 20.23 | (16.71) |
| Exceptional Items (Impairment of investment in Joint Venture) | 14.52 | - |
| Profit / (Loss) Before Taxation | 5.71 | (16.71) |
| Tax Expense | | |
| Current tax | - | - |
| Deferred tax | - | - |
| Profit / (Loss) After Taxation | 5.71 | (16.71) |
| Other Comprehensive Income | 1.69 | 7.66 |
| Total Comprehensive Income for the year | 7.40 | (9.05) |

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

| Ratio (Consolidated Basis) | Mar-19 | Mar-18 | % Changes | Explanation |
|----------------------------|--------|--------|-----------|--|
| Debtor Turnover Ratio | 88.46 | 43.10 | 105% | Due to reduction in Debtors |
| Inventory Turnover | NA | NA | NA | NA |
| Interest Coverage Ratio | 6.87 | 3.86 | 78% | Due to increase in profitability |
| Current Ratio | 0.12 | 0.22 | -45% | Due to increase in current liability of repayment of debt. |
| Debt Equity Ratio | NA | NA | NA | |
| Operating Profit Margin | 32% | -33% | 197% | Due to increase in profitability |
| Net profit Margin | 0.45% | -0.17% | 367% | Due to increase in profitability |
| Return on Net Worth | NA | NA | NA | |

Operational Review

During the year your company made significant progress to implement the New Tariff order and DPO Pack for the subscribers. Total comprehensive Income Rs. 7.40 lakhs in FY 2018-19 substantially improved compare to Previous year loss of Rs. 9.05 Lacs.

The financial statements of the company have been prepared on a going concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. For the year ended 31 March 2019, the Company's total comprehensive Income for the period is Rs. 7.40 Lakhs and Net worth is negative by Rs. 385.21 lakhs. A cash flow forecast for the next 4 years prepared by management on Net present value basis has indicated that the company will have sufficient cash assets to be able to meet its debts as and when they are due.

New regulation/Tariff order - The regulator TRAI, has notified a new set of regulations which will govern the industry. The regulation envisages sweeping changes in the existing model and is expected to benefit all the stakeholders in the value chain (viz) Broadcaster, MSO, LCO and Customer. The new regulation is the outcome of several issues arising out of flaws and imbalances in the erstwhile regulatory regime which was skewed in favour of the broadcaster and LCO

CAUTIONARY STATEMENT

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Hathway Bhawani Cabletel & Datacom Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Hathway Bhawani Cabletel & Datacom Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as

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a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

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

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

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

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

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

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management

either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its standalone financial position- Refer Note 4.01 to standalone financial statements;

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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.

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

Place: Mumbai
Dated: April 8, 2019

K.Y. Narayana
Partner
Membership No.060639

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, 2019:

- (i) (a) The Company has maintained records of Property, Plant and Equipment showing particulars of assets including quantitative details and location except in case of certain types of distribution equipments. In view of the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;
- (b) According to the information and explanation given to us, Property, Plant and Equipments, were physically verified during the year as per the programme of verification adopted by the management, which, in our opinion, is reasonable. Material discrepancies arising on such physical verification have been properly dealt within the books of accounts;
- (c) The Company 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) According to the information and explanation given to us, the Company does not hold any inventories and accordingly paragraph 3(ii) of the Order is not applicable;
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(a), (b) and (c) of the order are not applicable;
- (iv) The Company has not granted any loans or made any investment or provided any guarantees or security to the parties covered under the section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the order is not applicable;
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;
- (vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act, for the services rendered by the Company;
- (vii) (a) The Company has generally been regular in depositing with appropriate

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

authorities undisputed statutory dues such as provident fund, employees' state insurance, income tax, goods and service tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2019, for a period of more than six months from the date they became payable;

- (b) According to the information and explanation given to us, there are no outstanding disputed dues payable by the Company in case of income tax, goods and service tax or cess and any other statutory dues as on March 31, 2019;
- (viii) The Company has not taken loans from banks, financial institutions and government during the year. Further, the Company has not issued any debentures. Accordingly, paragraph 3(viii) of the Order is not applicable;
- (ix) The Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor taken any term loans during period under audit. Accordingly, paragraph 3(ix) of the Order is not applicable;
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided managerial remuneration. Accordingly, paragraph 3(ix) of the Order is not applicable;
- (xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;
- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable;
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, the Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions

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have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable; 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

Place: Mumbai

Dated: April 8, 2019

Annexure B to the Independent Auditor's Report

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

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

The procedures selected depend on the auditor's judgment, including the assessment of the

risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019 based

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

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

Place: Mumbai
Dated: April 8, 2019

K.Y. Narayana
Partner
Membership No. 060639

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HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Standalone Balance Sheet As at March 31, 2019

(₹ in lakhs unless otherwise stated)

| Particulars | Note No. | As at | |
|---|---|---------------------------------------|-----------------|
| | | March 31, 2019 | March 31, 2018 |
| ASSETS | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 2.01 | 132.07 | 245.51 |
| Intangible assets | 2.02 | 8.91 | 22.82 |
| Financial Assets | | | |
| Investments | 2.03 | 40.77 | 55.30 |
| Loans | 2.04 | 9.01 | 35.30 |
| Other financial assets | 2.05 | 12.69 | 52.16 |
| Other Non-current assets | 2.06 | 47.15 | 63.16 |
| Total Non-current Assets | | 250.60 | 474.25 |
| Current Assets | | | |
| Financial Assets | | | |
| Trade receivables | 2.07 | 5.33 | 11.30 |
| Cash and cash equivalents | 2.08 | 25.84 | 49.53 |
| Other financial assets | 2.05 | 0.66 | 10.32 |
| Other current assets | 2.06 | 55.33 | 73.59 |
| Total Current Assets | | 87.16 | 144.74 |
| Total Assets | | 337.76 | 618.99 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share Capital | 2.09 | 810.00 | 810.00 |
| Other Equity | 2.10 | (1,195.21) | (1,202.61) |
| Total Equity | | (385.21) | (392.61) |
| Non-current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 2.11 | - | 350.00 |
| Provisions | 2.12 | 9.13 | 13.92 |
| Deferred tax liabilities (Net) | 2.13 | - | - |
| Total Non-current Liabilities | | 9.13 | 363.92 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Trade payables | | | |
| Total outstanding dues of : | | | |
| - Micro & small enterprises | | - | - |
| - Other | | 429.53 | 451.96 |
| Other financial liabilities | 2.14 | 249.42 | 80.57 |
| Provisions | 2.12 | 6.13 | 0.49 |
| Other current Liabilities | 2.15 | 28.76 | 114.66 |
| Total Current Liabilities | | 713.84 | 647.68 |
| Total Equity and Liabilities | | 337.76 | 618.99 |
| Summary of Significant Accounting Policies | 1.00 | | |
| Refer accompanying notes. These notes are an integral part of the financial statements. | | | |
| As per our report of even date | | For and on behalf of the Board | |
| For Nayan Parikh & Co. | | | |
| Chartered Accountants | | | |
| Firm Registration No. 107023W | | | |
| | | | |
| K Y Narayana | Vatan Pathan | Rajesh Kumar Mittal | |
| Partner | Director & Chief Executive Officer | Director | |
| Membership No. 060639 | DIN: 07468214 | DIN: 07957284 | |
| | Pallavi Balkur | Basant Haritwal | |
| | Company Secretary & Compliance Officer | Chief Financial Officer | |
| | ACS No. 32276 | | |
| Place : Mumbai | | Place : Mumbai | |
| Dated: April 08, 2019 | | Dated: April 08, 2019 | |

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Standalone Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakhs unless otherwise stated)

| Particulars | Note No. | Year Ended | |
|---|----------|---|--------------------------------|
| | | March 31, 2019 | March 31, 2018 |
| Revenue from Operations | 3.01 | 471.17 | 487.04 |
| Other Income | 3.02 | 18.62 | 244.89 |
| Total Income | | 489.79 | 731.93 |
| Expenses | | | |
| Feed Charges | | 122.79 | 134.38 |
| Other Operational expenses | 3.03 | 57.88 | 86.16 |
| Employee benefit expenses | 3.04 | 52.23 | 57.35 |
| Finance cost | 3.05 | 25.39 | 17.59 |
| Depreciation, amortisation and impairment | 3.06 | 128.71 | 66.97 |
| Other expenses | 3.07 | 82.56 | 386.19 |
| Total Expenses | | 469.56 | 748.64 |
| Profit / (Loss) before exceptional items and tax | | 20.23 | (16.71) |
| Exceptional items | 3.08 | 14.52 | - |
| Profit / (Loss) before tax | | 5.71 | (16.71) |
| Tax Expense | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Profit / (Loss) for the year | | 5.71 | (16.71) |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Re-measurements of post employment benefit obligation | | 1.69 | 7.66 |
| Income tax effect relating to these items | | - | - |
| | | 1.69 | 7.66 |
| Total Comprehensive Income / (Loss) for the year | | 7.40 | (9.05) |
| Weighted Average Number of Shares | | 81,00,000 | 81,00,000 |
| Earnings / (Loss) per equity share (Face value of ₹ 10/- each) : | | | |
| Basic and diluted (in ₹) | 4.13 | 0.07 | (0.21) |
| Summary of Significant Accounting Policies | 1.00 | | |
| Refer accompanying notes. These notes are an integral part of the financial statements. | | | |
| As per our report of even date | | | |
| For Nayan Parikh & Co. | | For and on behalf of the Board | |
| Chartered Accountants | | | |
| Firm Registration No. 107023W | | | |
| | | | |
| K Y Narayana | | Vatan Pathan | Rajesh Kumar Mittal |
| Partner | | Director & Chief Executive Officer | Director |
| Membership No. 060639 | | DIN: 07468214 | DIN: 07957284 |
| | | | |
| | | Pallavi Balkur | Basant Haritwal |
| | | Company Secretary & Compliance Officer | Chief Financial Officer |
| | | ACS No. 32276 | |
| Place : Mumbai | | | Place : Mumbai |
| Dated: April 08, 2019 | | | Dated: April 08, 2019 |

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HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Standalone Cash Flow Statement for the year ended March 31, 2019

(₹ in lakhs unless otherwise stated)

| Particulars | Year Ended | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| CASH FLOW FROM OPERATING ACTIVITIES: | | |
| NET PROFIT / (LOSS) BEFORE TAX | 5.71 | (16.71) |
| Depreciation and Amortisation Expenses | 128.71 | 66.97 |
| Amount no Longer Payable Written Back | (11.94) | (204.37) |
| Sundry balances Written Off | 5.55 | - |
| Impairment in value of Investments | 14.52 | - |
| Impairment of trade receivables | 4.00 | 312.50 |
| Reversal of Impairment loss on Investments | - | (14.53) |
| (Profit) / Loss on disposal of Property Plant & Equipments | - | 0.58 |
| Interest Income | (3.21) | (4.38) |
| Provision for Gratuity and Leave Encashment | 3.18 | (2.53) |
| Interest Expense | 25.39 | 17.59 |
| Operating Profit Before Change in Working Capital | 166.20 | 171.83 |
| | 171.91 | 155.12 |
| Change in Assets & Liabilities | | |
| (Increase) / Decrease in Trade Receivables | 1.97 | (23.89) |
| (Increase) / Decrease in Other Financial Assets | 60.57 | (10.55) |
| (Increase) / Decrease in Other Assets | 15.12 | 67.80 |
| Increase / (Decrease) in Trade Payable | (10.49) | (792.50) |
| Increase / (Decrease) in Provisions | (0.62) | - |
| Increase / (Decrease) in Other Financial Liabilities | 8.85 | (13.84) |
| Increase / (Decrease) in Other Current Liabilities | (85.88) | 63.22 |
| Cash Generated from Operations | 161.43 | (554.64) |
| Taxes Refund Received (Net) | 19.15 | 97.90 |
| Net Cash flow from / (used in) Operating activities | 180.58 | (456.74) |
| CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Interest Received | 12.49 | 1.20 |
| Proceeds from Sale of Property, Plant and Equipment | - | 0.03 |
| Payments for acquisition of Property, Plant and Equipment | (1.37) | (7.97) |
| Net Cash Flow from / (used in) Investing Activities | 11.12 | (6.73) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Long Term Borrowing taken / (repaid) | (190.00) | 350.00 |
| Interest Paid | (25.39) | (17.59) |
| Net Cash Flow from / (used in) Financing Activities | (215.39) | 332.41 |
| Net Increase / (Decrease) in Cash & Cash equivalents | (23.69) | (131.06) |
| Cash & Cash Equivalents at the Beginning of Year | 49.53 | 180.59 |
| Cash & Cash Equivalents at the End of Year | 25.84 | 49.53 |
| Reconciliation of cash and cash equivalents as per Cash Flow Statement | | |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| In Current Accounts | 25.28 | 49.28 |
| Cash in Hand | 0.56 | 0.25 |
| | 25.84 | 49.53 |

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

As per our report of even date

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

For and on behalf of the Board

K Y Narayana
Partner
Membership No. 060639

Vatan Pathan
Director & Chief Executive Officer
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Pallavi Balkur
Company Secretary & Compliance Officer
ACS No. 32276

Basant Haritwal
Chief Financial Officer

Place : Mumbai
Dated: April 08, 2019

Place : Mumbai
Dated: April 08, 2019

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Standalone Statement of changes in equity for the year ended March 31, 2019

₹ in lakhs unless otherwise stated)

A Equity Share Capital

| Particulars | Amount |
|---|--------|
| Balance as at April 1, 2017 | 810.00 |
| Changes in Equity Share Capital during the year | - |
| Balance as at March 31, 2018 | 810.00 |
| Changes in Equity Share Capital during the year | - |
| Balance as at March 31, 2019 | 810.00 |

B Other Equity:

| Particulars | Reserves and Surplus | | Total |
|---|----------------------|-------------------|------------|
| | Securities Premium | Retained earnings | |
| Balance as at April 1, 2017 | 151.00 | (1,344.55) | (1,193.55) |
| Profit /(Loss) for the year | - | (16.71) | (16.71) |
| Other Comprehensive Income for the year | - | 7.66 | 7.66 |
| Balance as at March 31, 2018 | 151.00 | (1,353.61) | (1,202.61) |
| Profit / (Loss) for the year | - | 5.71 | 5.71 |
| Other Comprehensive Income for the year | - | 1.69 | 1.69 |
| Balance as at March 31, 2019 | 151.00 | (1,346.21) | (1,195.21) |

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

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

As per our report of even date

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana

Partner

Membership No. 060639

Vatan Pathan

Director & Chief Executive Officer

DIN: 07468214

Rajesh Kumar Mittal

Director

DIN: 07957284

Pallavi Balkur

Company Secretary & Compliance Officer

ACS No. 32276

Basant Haritwal

Chief Financial Officer

Place : Mumbai

Dated: April 08, 2019

Place : Mumbai

Dated: April 08, 2019

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Significant Accounting Policies and Notes to the Standalone Financial Statements

BACKGROUND

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

Authorization of standalone financial statements

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of directors on April 08, 2019.

1.00 SIGNIFICANT ACCOUNTING POLICIES

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

1.01 BASIS OF PREPARATION

- (i) Compliance with Ind AS

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

- (ii) Historical cost convention

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

1.02 ROUNDING OF AMOUNTS

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

1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

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

- (i) it is expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is expected to be realised within twelve months after the reporting period, or
- (iv) cash 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:

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

All other liabilities are classified as non-current.

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

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

1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

While preparing standalone financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events

rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

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

Key sources of estimation uncertainty

- (i) Financial instruments; (Refer note 4.06)
- (ii) Useful lives of Property, Plant and Equipment and intangible assets; (Refer note 1.05 & 1.06)
- (iii) Obligations relating to employee benefits; (Refer note 4.03)
- (iv) Evaluation of recoverability of deferred tax assets; (Refer note 4.11) and
- (v) Contingencies (Refer note 4.01).

1.05 PROPERTY, PLANT AND EQUIPMENT

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

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

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

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

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

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

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

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

1.06 INTANGIBLE ASSETS

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

Intangible Assets acquired separately

Intangible assets comprises of Cable Television Franchise and Softwares. Cable Television Franchise represents purchase consideration of a network that is mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network. Intangible assets with finite useful lives that are acquired are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortization and impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

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

Amortisation of intangible assets

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

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

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

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

Deemed cost for Intangible assets

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

1.07 IMPAIRMENT OF ASSETS

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

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

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

1.08 CASH AND CASH EQUIVALENTS

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

1.09 FINANCIAL INSTRUMENTS

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

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

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

Classification and Subsequent Measurement: Financial Assets

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

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

Amortised Cost :

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

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

FVTOCI :

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

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL:

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement: Financial Liabilities

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

Financial Liabilities at FVTPL:

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

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

Other Financial Liabilities :

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

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

Derecognition of Financial Assets and Financial Liabilities :

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

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

Offsetting Financial Instruments :

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

1.10 INVESTMENT IN JOINT VENTURE

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

decisions about the relevant activities require unanimous consent of the parties sharing control.

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

1.11 BORROWING COSTS

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

1.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

Contingent liabilities are disclosed in the case of:

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

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

1.13 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

(i) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of profit 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.

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

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

Defined contribution plans

The Company contributes to Employees State Insurance Corporation and Provident Fund which are considered as defined contribution plans. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as

defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Other long-term employee benefit obligations

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

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

(iv) Bonus Plans

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

1.14 REVENUE RECOGNITION

(i) Income from Rendering of services

The Company derives revenues primarily from Cable TV business.

Effective April 1, 2018 the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is the summary of new and/ or revised significant accounting policies related to revenue recognition. Refer Note 1 “Significant Accounting Policies” in the Company’s 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

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

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

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

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

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

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

(ii) Interest Income

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

1.15 TAXES ON INCOME

Current Tax:

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

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

Management periodically evaluates positions taken in the tax returns with respect to

situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

1.16 EARNINGS PER SHARE (EPS)

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of

interest and other financing cost associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 LEASES

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As a Lessee

Operating Lease

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.

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

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(₹ in lakhs unless otherwise stated)

2.02 Intangible Assets :

| | Gross Carrying Amount | | Accumulated Amortisation / Impairment | | Net Carrying Amount | |
|----------------------------|-----------------------|----------------------|---------------------------------------|-----------------------------------|----------------------|----------------------|
| | As at April 1, 2018 | As at March 31, 2019 | As at April 1, 2018 | For the Year ended March 31, 2019 | As at March 31, 2019 | As at March 31, 2018 |
| Cable Television Franchise | 60.36 | - | 60.36 | 13.17 | 52.69 | 7.67 |
| Softwares | 4.85 | - | 4.85 | 0.74 | 3.61 | 1.24 |
| Total | 65.21 | - | 65.21 | 13.91 | 56.30 | 8.91 |

| | Gross Carrying Amount | | Accumulated Amortisation / Impairment | | Net Carrying Amount | |
|----------------------------|-----------------------|----------------------|---------------------------------------|-----------------------------------|----------------------|----------------------|
| | As at April 1, 2017 | As at March 31, 2018 | As at April 1, 2017 | For the Year ended March 31, 2018 | As at March 31, 2018 | As at March 31, 2017 |
| Cable Television Franchise | 60.36 | - | 60.36 | 13.18 | 39.52 | 34.02 |
| Softwares | 4.85 | - | 4.85 | 1.17 | 2.87 | 3.15 |
| Total | 65.21 | - | 65.21 | 14.35 | 42.39 | 37.17 |

* Depreciation for the year includes impairment of Plant & Machinery Rs. 87.10 (March 31, 2018 ₹ NIL)

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

| | 0 to 5 years | Total WDV |
|----------------------------|--------------|-------------|
| Cable Television Franchise | 7.67 | 7.67 |
| Softwares | 1.24 | 1.24 |
| | 8.91 | 8.91 |

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(₹ in lakhs unless otherwise stated)

| 2.03 Non-current Investments | As at | | As at | |
|--|----------------|--------------|----------------|--------------|
| | March 31, 2019 | | March 31, 2018 | |
| | | Amount | | Amount |
| Investments (measured at Cost) | | | | |
| Investment in equity shares of Joint Venture | | | | |
| Unquoted (fully paid up) | | | | |
| Hathway Bhawani NDS Network Pvt. Ltd. (Face Value ₹ 500) | 15,810 | 54.05 | 15,810 | 54.05 |
| Less: Impairment in value of Investments | | 14.53 | | 14.53 |
| Add: Reversal of Impairment in value of Investments | | - | | 14.53 |
| | | 39.52 | | 54.05 |
| Investments in Government securities (measured at amortised cost) | | | | |
| Unquoted | | | | |
| National Saving Certificates (Pledged with Government Authorities) | | 1.25 | | 1.25 |
| Total carrying value | | 40.77 | | 55.30 |
| Aggregate Amount of Unquoted Investments | | 40.77 | | 55.30 |
| Aggregate Impairment in value of Investments | | 14.53 | | - |

| 2.04 Loans | Non-current | | Current | |
|-----------------------------|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Security Deposits | | | | |
| Considered good - unsecured | 9.01 | 35.30 | - | - |
| | 9.01 | 35.30 | - | - |

| 2.05 Other financial assets | Non-current | | Current | |
|--|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Fixed Deposits with Bank (Refer Note No. 2.08) | 12.28 | 52.12 | - | - |
| Interest Accrued | 0.41 | 0.04 | 0.66 | 10.32 |
| | 12.69 | 52.16 | 0.66 | 10.32 |

| 2.06 Other assets | Non-current | | Current | |
|--|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Unsecured, considered good unless stated otherwise | | | | |
| Advance Income Tax Paid (Net of Provision for tax) | 44.01 | 63.16 | - | - |
| Prepaid Rent | 3.14 | - | 1.05 | 3.42 |
| Prepaid expenses | - | - | 0.28 | 0.40 |
| Sundry Advances | - | - | - | - |
| Staff Advances | - | - | - | 1.99 |
| GST Receivable | - | - | 64.00 | 67.78 |
| | 47.15 | 63.16 | 55.33 | 73.59 |

| 2.07 Trade Receivables | Current | |
|--------------------------------|----------------|----------------|
| | As at | |
| | March 31, 2019 | March 31, 2018 |
| Trade receivables - Unsecured | 692.95 | 694.92 |
| | 692.95 | 694.92 |
| Less: Provision for Impairment | 687.62 | 683.62 |
| | 5.33 | 11.30 |

| 2.08 Cash and cash equivalents | Non-current | | Current | |
|--|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Balances with Banks | | | | |
| In Current Accounts | - | - | 25.28 | 49.28 |
| Cash on hand | - | - | 0.56 | 0.25 |
| | | | 25.84 | 49.53 |
| Other Bank Balances | | | | |
| Fixed Deposits with Bank * | 12.28 | 52.12 | - | - |
| | 12.28 | 52.12 | - | - |
| Less: Amount disclosed under Other financial assets (Refer Note No.2.05) | 12.28 | 52.12 | - | - |
| | - | - | 25.84 | 49.53 |

* Out of the above Fixed deposits with Bank of Maharashtra, deposits of ₹ 12.28 (Previous year ₹ 9.23) is given as security against outstanding bank Guarantees and deposits of ₹ Nil (Previous year ₹ 42.89) is given as security against cash credit limit with the said bank.

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| 2.09 Equity Share Capital | As at | |
|---|-----------------|-----------------|
| | March 31, 2019 | March 31, 2018 |
| Authorised Capital 1,00,00,000 (March 31, 2018 : 1,00,00,000) Equity Shares of ₹ 10 each | 1,000.00 | 1,000.00 |
| | 1,000.00 | 1,000.00 |
| Paid up Capital comprises: 81,00,000 (March 31, 2018: 81,00,000) Equity Shares of ₹ 10 each fully paid up | 810.00 | 810.00 |
| | 810.00 | 810.00 |

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

| Particulars | As at | | | |
|---|------------------|---------------|------------------|---------------|
| | March 31, 2019 | | March 31, 2018 | |
| | Number of shares | Amount | Number of shares | Amount |
| Shares outstanding at the beginning of the year | 81,00,000 | 810.00 | 81,00,000 | 810.00 |
| Shares outstanding at the end of the year | 81,00,000 | 810.00 | 81,00,000 | 810.00 |

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

| Particulars | As at | |
|---|------------------|------------------|
| | March 31, 2019 | March 31, 2018 |
| | Number of shares | Number of shares |
| Hathway Cable and Datacom Limited (Holding Company) | 20,20,000 | 20,20,000 |
| Hathway Media Vision Private Limited (Wholly Owned subsidiary of Holding Company) | 21,60,000 | 21,60,000 |
| | 41,80,000 | 41,80,000 |

c) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

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

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

| Name of Shareholder | As at | | As at | |
|--------------------------------------|------------------|--------------|------------------|--------------|
| | March 31, 2019 | | March 31, 2018 | |
| | Number of shares | % of Holding | Number of shares | % of Holding |
| Hathway Cable and Datacom Limited | 20,20,000 | 24.94% | 20,20,000 | 24.94% |
| Kuldeep Puri | 5,04,339 | 6.23% | 5,04,339 | 6.23% |
| Kulbhushan Puri | 426,383 | 5.26% | 426,383 | 5.26% |
| Hathway Media Vision Private Limited | 21,60,000 | 26.67% | 21,60,000 | 26.67% |

e) Equity shares allotted as fully paid - up for consideration other than cash :

| | As at | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Equity shares allotted as fully paid - up pursuant to contracts for consideration other than cash in the financial year 2014-15 | 1,00,000 | 1,00,000 |

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| 2.10 Other equity | As at | |
|--------------------|-------------------|-------------------|
| | March 31, 2019 | March 31, 2018 |
| Securities Premium | 151.00 | 151.00 |
| Retained earning | (1,346.21) | (1,353.61) |
| Total | (1,195.21) | (1,202.61) |

a) Retained earnings :

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

b) Securities Premium :

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

| 2.11 Non Current Borrowings | Non - Current | | Current Maturities of Long Term Debt | |
|---|----------------|----------------|--------------------------------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Loans and Advances from Related Parties | | | | |
| Unsecured | | | | |
| Loan From Fellow Subsidiary | - | 350.00 | 160.00 | - |
| | - | 350.00 | 160.00 | - |
| Less: Amount disclosed under the head 'Other Financial Liabilities' (Note No. 2.14) | - | - | 160.00 | - |
| Net Amount | - | 350.00 | - | - |

Nature of Security and terms of repayment for borrowings:

| Nature of Security | Terms of Repayment |
|--|--|
| Unsecured Loan | |
| Loan from Hathway Digital Private Limited amounting to ₹ 160 (March 31, 2018: ₹ 350) | Principal repayable within 2 years (extendable as agreed between the Company and Fellow Subsidiary) bearing interest rate @10.6%p.a. |

| 2.12 Provisions | Non - Current | | Current | |
|--------------------------|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Employee benefits | | | | |
| Gratuity (unfunded) | 6.92 | 7.80 | 0.38 | 0.29 |
| Leave Encashment | 2.21 | 6.12 | 5.75 | 0.20 |
| | 9.13 | 13.92 | 6.13 | 0.49 |

| 2.13 Deferred Tax Liabilities (Net) | As at | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Deferred Tax Assets* | | |
| Provision for Employee benefits | - | - |
| Other temporary differences | - | - |
| Carried forward Business Losses | - | - |
| | (A) | - |
| Deferred Tax Liabilities | | |
| Property, Plant and Equipment | - | - |
| | (B) | - |
| Net Deferred Tax Liabilities (A-B) | - | - |

* Refer Note no. 4.11 for Expiry schedule of deferred tax assets not recognised.

| 2.14 Other Financial Liabilities | As at | |
|--|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Current Maturities of Long term debt (Refer Note 2.11) | 160.00 | - |
| Security Deposits | 45.64 | 45.64 |
| Salary and Employee benefits payable | 8.97 | 11.81 |
| Other Financial Liabilities | 34.81 | 23.12 |
| | 249.42 | 80.57 |

| 2.15 Other Current Liabilities | As at | |
|--------------------------------|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Income received in advance | 15.46 | 100.84 |
| Statutory payables | 11.44 | 11.96 |
| Others | 1.86 | 1.86 |
| | 28.76 | 114.66 |

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(₹ in lakhs unless otherwise stated)

| 3.01 Revenue from operations | Year Ended | |
|---|-----------------------|-----------------------|
| | March 31, 2019 | March 31, 2018 |
| Sale of services | 471.17 | 487.04 |
| | 471.17 | 487.04 |
| 3.02 Other Income | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Interest income earned on financial assets : | | |
| Interest on Fixed Deposit | 3.20 | 4.33 |
| Interest on Government Securities | 0.01 | 0.05 |
| Interest Income on Security Deposit | 0.80 | 2.27 |
| Interest on Income Tax Refund | 2.59 | 18.63 |
| Other Non Operating Income | | |
| Amount no Longer Payable Written Back | 11.94 | 204.37 |
| Reversal of Impairment in value of Investments | - | 14.53 |
| Miscellaneous Income | 0.08 | 0.71 |
| | 18.62 | 244.89 |
| 3.03 Other Operational Expenses | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Commission | 24.94 | 13.74 |
| Consultancy Charges | - | 7.95 |
| Repairs & Maintenances - Machinery | 8.50 | 11.72 |
| Rent | 8.17 | 13.24 |
| Other Operating Expenses | 16.27 | 39.51 |
| | 57.88 | 86.16 |
| 3.04 Employee Benefit Expenses | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Salaries and wages | 48.02 | 51.70 |
| Contribution to Provident fund and other funds | 3.27 | 4.20 |
| Staff welfare expenses | 0.94 | 1.45 |
| | 52.23 | 57.35 |
| 3.05 Finance Costs | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Interest Expenses | 25.39 | 17.59 |
| | 25.39 | 17.59 |
| 3.06 Depreciation, Amortization and Impairment | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Depreciation on Property, Plant and Equipment | 114.80 | 52.62 |
| Amortisation of intangible assets | 13.91 | 14.35 |
| | 128.71 | 66.97 |
| 3.07 Other Expenses | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Impairment of trade receivables | 4.00 | 312.50 |
| Bad Debts | - | 151.39 |
| Less: Transfer from Impairment of trade receivables | - | (151.39) |
| | | |
| Services charges | 25.38 | 29.18 |
| Legal & Professional charges | 12.56 | 4.69 |
| Printing and stationery | 7.01 | 4.31 |
| Sundry balances Written Off | 5.55 | - |
| Conveyance | 5.48 | 7.11 |
| Electricity charges | 4.00 | 4.45 |
| Business promotion expenses | 2.72 | 4.99 |
| Sitting Fees | 2.30 | 2.04 |
| Office expenses | 1.69 | 0.80 |
| Communication charges | 0.89 | 2.38 |
| Repairs & Maintenances - Others | 0.67 | 2.25 |
| Insurance others | 0.63 | 1.86 |
| Loss on Sale of assets | - | 0.58 |
| Rates and taxes | 0.00 | 0.22 |
| Interest on Taxes | 0.00 | 0.05 |
| Miscellaneous Expenses | 5.95 | 5.78 |
| Auditor's Remuneration : | | |
| - Statutory Audit Fees | 3.73 | 3.00 |
| | 82.56 | 386.19 |
| 3.08 Exceptional Item | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Impairment of Investments in Joint Venture | 14.52 | - |
| | 14.52 | - |

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4.01 Contingent Liabilities

There is no claim against the Company which can be acknowledged as debt (March 31, 2018 : Nil)

4.02 Capital And Other Commitments

There are no Capital and other commitments as at March 31, 2019. (March 31, 2018 : Nil)

4.03 Employee Benefits

a) Defined Benefit Plans:

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

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

| Category | March 31, 2019 [Gratuity] | March 31, 2018 [Gratuity] |
|--|------------------------------|------------------------------|
| 1. Expense recognised in the Statement of Profit and Loss | | |
| Current Service Cost | 0.91 | 2.14 |
| Net Interest | 0.60 | 1.33 |
| Expense recognised in the Statement of Profit and Loss | 1.51 | 3.47 |
| 2. Other Comprehensive Income (OCI) | | |
| Measurement of net defined benefit liability | | |
| Actuarial (gains)/ losses arising from changes in financial assumption | (3.86) | (1.79) |
| Actuarial (gains)/ losses arising from experience adjustments | 2.17 | (5.87) |
| Total Actuarial (Gain)/loss recognised in OCI | (1.69) | (7.66) |
| 3. Change in benefit obligations: | | |
| Projected benefit obligations at beginning of the year | 8.09 | 18.23 |
| Current Service Cost | 0.91 | 2.14 |
| Interest Cost | 0.60 | 1.33 |
| Benefits Paid | (0.61) | (5.95) |
| Actuarial (Gain) / Loss | (1.69) | (7.66) |
| Projected benefit obligations at end of the year | 7.29 | 8.09 |
| 4. Fair Value of Plan Asset | | |
| Fair Value of Plan Asset at the beginning of the year | - | - |
| Contributions by employer | (0.61) | (5.96) |
| Benefits Paid | 0.61 | 5.96 |
| Fair Value of Plan Assets at end of the year | - | - |

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| Category | March 31, 2019 [Gratuity] | March 31, 2018 [Gratuity] |
|---|------------------------------|------------------------------|
| 5. Net Liability | | |
| Projected benefit obligations at the end of the year | 7.29 | 8.09 |
| Fair Value of Plan Asset at the end of the year | - | - |
| Net Liability | 7.29 | 8.09 |
| 6. The net liability disclosed above relates to unfunded plans are as follows: | | |
| Projected benefit obligations at the end of the year | 7.29 | 8.09 |
| Fair Value of Plan Asset at the end of the year | - | - |
| Deficit of gratuity plan | 7.29 | 8.09 |
| 7. Sensitivity Analysis | | |
| Increase/(decrease) on present value of benefit obligation at the end of the year | | |
| 50 basis point increase in discount rate | (6.93) | (7.62) |
| 50 basis point decrease in discount rate | 7.68 | 8.60 |
| 50 basis point increase in rate of salary Increase | 7.69 | 8.59 |
| 50 basis point decrease in rate of salary increase | (6.92) | (7.62) |
| 8. Principal assumptions used for the purpose of actuarial valuation | | |
| Mortality | IALM (2012-2014) UTI | IALM (2006-2008) UTI |
| Interest /discount rate | 7.90% | 7.54% |
| Rate of increase in compensation | 5.00% | 8.50% |
| Expected average remaining service | 11.08 | 10.08 |
| Employee Attrition Rate (Past service (PS)) | 5.00% | 5.00% |

b. Defined Contribution Plans:

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

Amount of ₹ 3.27 (Previous year ₹ 4.20) is recognised as an expenses and included in Employee benefit expenses (Refer Note 3.04)

4.04 Leases

Operating Lease (as a lessee)

Details of Cancellable Leases are as under:

The Company's significant leasing arrangements in terms of IND AS 17 are in respect of Operating Leases for Premises. These leasing arrangements, which are cancellable in nature range between 11 months to 60 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 ₹ 8.17 (March 31, 2018: ₹ 13.24).

Operating Lease (As a lessor)

Details of Cancellable Leases are as under:

Lease income credited to the Statement of Profit and Loss ₹ 30.00 (March 31, 2018: ₹ 15.00).

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HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

4.05 Capital Management

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

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

4.06 Financial Instruments

i) Methods and assumptions used to estimate the fair values

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

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

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

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

ii) Categories of financial instruments

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

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

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

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

| Particulars | March 31, 2019 | | March 31, 2018 | |
|-----------------------------------|-----------------|------------|-----------------|------------|
| | Carrying values | Fair value | Carrying values | Fair value |
| Financial assets | | | | |
| Measured at amortised cost | | | | |
| Investments | 1.25 | 1.25 | 1.25 | 1.25 |
| Trade receivables | 5.33 | 5.33 | 11.30 | 11.30 |
| Loans | 9.01 | 9.01 | 35.30 | 35.30 |
| Other financial assets | 13.35 | 13.35 | 62.48 | 62.48 |
| Cash and cash equivalents | 25.84 | 25.84 | 49.53 | 49.53 |
| Financial liabilities | | | | |
| Measured at amortised cost | | | | |
| Borrowings | - | - | 350.00 | 350.00 |
| Trade payables | 429.53 | 429.53 | 451.96 | 451.96 |
| Other financial liabilities | 249.42 | 249.42 | 80.57 | 80.57 |

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(₹ in lakhs unless otherwise stated)

4.07 Financial Risk Management

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

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

Credit risk

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

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

| Age of Receivables | As At March 31, | |
|--------------------------|-----------------|---------------|
| | 2019 | 2018 |
| Within the credit period | | |
| 1-90 days past due | 53.60 | 100.36 |
| 91-180 days past due | 54.43 | 73.72 |
| 181-270 days past due | 32.42 | 0.35 |
| 271-360 days past due | 32.42 | 0.08 |
| More than 365 days | 520.08 | 520.41 |
| | 692.95 | 694.92 |

| Movement in the expected credit loss allowance | Year ended March 31, | |
|--|----------------------|---------------|
| | 2019 | 2018 |
| Balance at beginning of the year | 683.62 | 522.52 |
| Provided during the year | 4.00 | 312.50 |
| Write off during the year | - | (151.39) |
| Balance at end of the year | 687.62 | 683.62 |

Liquidity risk

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

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

Maturities of financial liabilities

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

March 31, 2019

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

March 31, 2018

| Particulars | less than 1 year | 1 to 5 year | Total |
|-----------------------------|------------------|---------------|---------------|
| Non-Derivatives | | | |
| Trade payables | 451.96 | - | 451.96 |
| Borrowings | - | 350.00 | 350.00 |
| Other financial liabilities | 80.57 | - | 80.57 |
| Total | 532.53 | 350.00 | 882.53 |

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HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

4.08 Segmental Reporting

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

4.09 Related Party Disclosures

Particulars of Related Parties

A. Name of Related Parties and Related party Relationship

I. Controlled by:

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

II. Joint Venture

Hathway Bhawani NDS Network Private Limited

III. Fellow Subsidiary

Hathway Digital Private Limited

IV. Key Managerial Personnel

| | |
|---|---|
| a. Executive Directors | Mr. Sameer Joseph - Managing Director & CEO (upto October 04, 2017) |
| b. Non Executive Directors Independent Directors | Mr. Dilip Worah Mr. L. K. Kannan |
| Non Independent Directors | Mr. Vineet Garg (upto March 30, 2018) Mr. Shyam P V (upto April 04, 2018) Mr. Vatan Pathan* - Director & CEO * (Additional director w.e.f. November 07, 2017, appointed as a Chief Executive Officer w.e.f. April 03, 2018) Mr. Rajesh Kumar Mittal (w.e.f. April 06, 2018) Ms. Pallavi Balkur (w.e.f. April 06, 2018) |

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

Compensation to Key Managerial Personnel :-

| Particulars | F.Y. 2018-19 | F.Y. 2017-18 |
|---------------------------|--------------|--------------|
| Sitting fees | 2.30 | 2.04 |
| Total Compensation | 2.30 | 2.04 |

B. Related Party Transactions

| Type of Transactions | Name of the Party | F.Y. 2018-19 | F.Y. 2017-18 |
|---|---|--------------|--------------|
| Consultancy charges earned | Hathway Bhawani NDS Network Private Limited | 23.00 | 12.15 |
| Loan taken | Hathway Digital Private Limited | - | 350.00 |
| Loan repaid | Hathway Digital Private Limited | 190.00 | - |
| Commission Income | Hathway Digital Private Limited | 122.52 | 135.79 |
| Network Usage Charges earned | Hathway Digital Private Limited | 30.00 | 15.00 |
| Feed Charges | Hathway Digital Private Limited | 122.80 | 134.38 |
| STB Activation Expenses | Hathway Digital Private Limited | 11.08 | - |
| Interest paid | Hathway Digital Private Limited | 25.39 | 17.59 |
| (Impairment) / Reversal of Impairment in value of Investments | Hathway Bhawani NDS Network Private Limited | (14.53) | 14.53 |

| Type of Balances | Name of the Party | As at March 31, 2019 | As at March 31, 2018 |
|------------------------------------|---|----------------------|----------------------|
| Balance as at year end | | | |
| Trade Payable | Hathway Cable and Datacom Limited | 35.41 | 48.18 |
| Unsecured Loan | Hathway Digital Private Limited | 160.00 | 350.00 |
| Unearned Revenue | Hathway Digital Private Limited | - | 49.50 |
| Trade Payable | Hathway Digital Private Limited | 381.52 | 340.74 |
| Investments | Hathway Bhawani NDS Network Private Limited | 54.05 | 54.05 |
| Impairment in value of Investments | Hathway Bhawani NDS Network Private Limited | 14.53 | - |

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Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

4.10 During the financial year 2018-19 and 2017-18, there has been no investment made by the Company in terms of Section 186(4) of the Act. The operations of the Company are classified as 'infrastructure facilities' as defined under Schedule VI to the Act. Accordingly, the disclosure requirements specified in sub-section 4 of Section 186 of the Act in respect of loans given or guarantee given or security provided and the related disclosures on purposes / utilization by recipient companies, are not applicable to the Company.

4.11 In the absence of reasonable certainty of availability of taxable business income in near future against which the deferred tax assets can be adjusted, the Company has not recognised deferred tax assets. (Refer to Note 2.13)

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

| Particulars | Indefinite | Total |
|---------------------------------|---------------|---------------|
| Unabsorbed depreciation | 35.58 | 35.58 |
| Deductible temporary difference | 204.02 | 204.02 |
| Total | 239.60 | 239.60 |

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

4.13 Earnings / (Loss) Per Share

| | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Basic earnings per share (₹) | | |
| Attributable to equity holders of the Company | 0.07 | (0.21) |
| Diluted earnings per share (₹) | | |
| Attributable to equity holders of the Company | 0.07 | (0.21) |
| Nominal value of Ordinary shares : (₹) | 10.00 | 10.00 |
| Reconciliation of earnings used in calculating earnings per share : | | |
| Basic earnings per share | | |
| Profit / (Loss) attributable to equity holders of the Company used in calculating basic earnings per share | 5.71 | (16.71) |
| Diluted earnings per share | | |
| Profit / (Loss) attributable to equity holders of the Company used in calculating diluted earnings per share | 5.71 | (16.71) |
| Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share | 8,100,000 | 8,100,000 |

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

| | As at March 31, 2019 | As at March 31, 2018 |
|---|-------------------------|-------------------------|
| Principal amount due and remaining unpaid | - | - |
| Interest due on above and the unpaid interest | - | - |
| Interest paid | - | - |
| Payment made beyond the appointed day during the year | - | - |
| Interest due and payable for the period of delay | - | - |
| Interest due and remaining unpaid | - | - |
| Interest accrued and remaining unpaid | - | - |

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

4.15 Revenue from contract with customers

Disaggregation of Revenue

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

Contract Balances

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

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

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

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

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

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

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

Performance Obligations And Remaining Performance Obligations

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

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

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

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

For and on behalf of the Board

K Y Narayana
Partner
Membership No. 060639

Vatan Pathan **Rajesh Kumar Mittal**
Director & Chief Executive Officer Director
DIN: 07468214 DIN: 07957284

Pallavi Balkur **Basant Haritwal**
Company Secretary & Compliance Officer Chief Financial Officer
ACS No. 32276

Place : Mumbai
Dated: April 08, 2019

Place : Mumbai
Dated: April 08, 2019

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Hathway Bhawani Cabletel & Datacom Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Hathway Bhawani Cabletel & Datacom Limited** (hereinafter referred to as "the Holding Company") and its joint venture comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI), together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

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

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

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

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

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

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

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

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

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Holding Company and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

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

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

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

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

Other Matters

We did not audit the financial statements of the joint venture, as considered in the consolidated financial statements, whose standalone financial statements include the Holding Company's share of net loss of ₹ 3.51 lakhs for the year ended on March 31, 2019. This financial statements and other financial information have been audited by other auditor whose report has been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the report of such other auditor.

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

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act read with relevant rules issued thereunder and relevant provisions of the Act;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its joint venture incorporated in India, none of the directors of the Holding Company and its joint venture incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor of the joint venture, as noted in the Other matters paragraph:
- i. The Holding Company and its joint venture does not have any pending litigations which would impact the financial position in the consolidated financial statements - Refer Note 4.01 to consolidated financial statements;
 - ii. The Holding Company and its joint venture did not have any material foreseeable losses on long term contracts including derivative contracts; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its joint venture.

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

Mumbai
Dated: April 8, 2019

K.Y. Narayana
Partner
Membership No. 060639

Annexure A to the Independent Auditor's Report

Referred to in paragraph (f) under Report on Other Legal and Regulatory Requirements' of our Independent Auditor's Report on even date to the members of Hathway Bhawani Cabletel & Datacom Limited ("the Holding Company) on the consolidated financial statements for the year ended March 31, 2019:

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

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of **Hathway Bhawani Cabletel & Datacom Limited (hereinafter referred to as 'the Holding Company')** and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and

if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019 based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements, in so far as it relates standalone financial statements of the joint venture, which is the company incorporated in India, is based on the corresponding report of the auditor of such joint venture incorporated in India.

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

K.Y. Narayana

Partner

Membership No. 060639

Place: Mumbai

Dated: April 8, 2019

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Consolidated Balance Sheet As at March 31, 2019

(₹ in lakhs unless otherwise stated)

| Particulars | Note No. | As at | |
|---|---|--------------------------------|---------------------------------------|
| | | March 31, 2019 | March 31, 2018 |
| ASSETS | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 2.01 | 132.07 | 245.51 |
| Intangible assets | 2.02 | 8.91 | 22.82 |
| Investment accounted using Equity method | 4.14 | 31.16 | 49.20 |
| Financial Assets | | | |
| Investments | 2.03 | 1.25 | 1.25 |
| Loans | 2.04 | 9.01 | 35.30 |
| Other financial assets | 2.05 | 12.69 | 52.16 |
| Other Non-current assets | 2.06 | 47.15 | 63.16 |
| Total Non-current Assets | | 242.24 | 469.40 |
| Current Assets | | | |
| Financial Assets | | | |
| Trade receivables | 2.07 | 5.33 | 11.30 |
| Cash and cash equivalents | 2.08 | 25.84 | 49.53 |
| Other financial assets | 2.05 | 0.66 | 10.32 |
| Other current assets | 2.06 | 55.33 | 73.59 |
| Total Current Assets | | 87.16 | 144.74 |
| Total Assets | | 329.40 | 614.14 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share Capital | 2.09 | 810.00 | 810.00 |
| Other Equity | 2.10 | (1,203.57) | (1,207.46) |
| Total Equity | | (393.57) | (397.46) |
| Non-current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 2.11 | - | 350.00 |
| Provisions | 2.12 | 9.13 | 13.92 |
| Deferred tax liabilities (Net) | 2.13 | - | - |
| Total Non-current Liabilities | | 9.13 | 363.92 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Trade payables | | | |
| Total outstanding dues of : | 2.16 | | |
| - Micro & small enterprises | | - | - |
| - Other | | 429.53 | 451.96 |
| Other financial liabilities | 2.14 | 249.42 | 80.57 |
| Provisions | 2.12 | 6.13 | 0.49 |
| Other current Liabilities | 2.15 | 28.76 | 114.66 |
| Total Current Liabilities | | 713.84 | 647.68 |
| Total Equity and Liabilities | | 329.40 | 614.14 |
| Summary of Significant Accounting Policies | 1.00 | | |
| Refer accompanying notes. These notes are an integral part of the financial statements. | | 0.00 | (0.00) |
| As per our report of even date | | | For and on behalf of the Board |
| For Nayan Parikh & Co. | | | |
| Chartered Accountants | | | |
| Firm Registration No. 107023W | | | |
| K Y Narayana | Vatan Pathan | Rajesh Kumar Mittal | |
| Partner | Director & Chief Executive Officer | Director | |
| Membership No. 060639 | DIN: 07468214 | DIN: 07957284 | |
| | Pallavi Balkur | Basant Haritwal | |
| | Company Secretary & Compliance Officer | Chief Financial Officer | |
| | ACS No. 32276 | | |
| Place : Mumbai | | Place : Mumbai | |
| Dated: April 08, 2019 | | Dated: April 08, 2019 | |

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HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakhs unless otherwise stated)

| Particulars | Note No. | Year Ended | |
|--|----------|---|--------------------------------|
| | | March 31, 2019 | March 31, 2018 |
| Revenue from Operations | 3.01 | 471.17 | 487.04 |
| Other Income | 3.02 | 18.62 | 244.89 |
| Total Income | | 489.79 | 731.93 |
| Expenses | | | |
| Feed Charges | | 122.79 | 134.38 |
| Other operational expenses | 3.03 | 57.88 | 86.16 |
| Employee benefit expenses | 3.04 | 52.23 | 57.35 |
| Finance cost | 3.05 | 25.39 | 17.59 |
| Depreciation, amortisation and impairment | 3.06 | 128.71 | 66.97 |
| Other expenses | 3.07 | 82.56 | 386.19 |
| Total Expenses | | 469.56 | 748.64 |
| Profit / (Loss) before exceptional items and tax | | 20.23 | (16.71) |
| Exceptional items | 3.08 | 14.52 | - |
| Profit / (Loss) before tax | | 5.71 | (16.71) |
| Share of net Profit / (Loss) of Joint venture accounted for using the equity method | | (3.51) | 15.48 |
| Profit / (Loss) before tax | | 2.20 | (1.23) |
| Tax Expense | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Profit / (Loss) for the year | | 2.20 | (1.23) |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Re-measurements of post employment benefit obligation | | 1.69 | 7.66 |
| Income tax effect relating to these items | | - | - |
| | | 1.69 | 7.66 |
| Total Comprehensive Income / (Loss) for the year | | 3.89 | 6.43 |
| Weighted Average Number of Shares | | 81,00,000 | 81,00,000 |
| Earnings / (Loss) per equity share (Face value of ₹ 10/- each) : | | | |
| Basic and diluted (in ₹) | 4.11 | 0.03 | (0.02) |
| Summary of Significant Accounting Policies | 1.00 | | |
| Refer accompanying notes. These notes are an integral part of the financial statements. | | | |
| As per our report of even date | | | |
| For Nayan Parikh & Co. | | For and on behalf of the Board | |
| Chartered Accountants | | | |
| Firm Registration No. 107023W | | | |
| K Y Narayana | | Vatan Pathan | Rajesh Kumar Mittal |
| Partner | | Director & Chief Executive Officer | Director |
| Membership No. 060639 | | DIN: 07468214 | DIN: 07957284 |
| | | Pallavi Balkur | Basant Haritwal |
| | | Company Secretary & Compliance Officer | Chief Financial Officer |
| | | ACS No. 32276 | |
| Place : Mumbai | | | Place : Mumbai |
| Dated: April 08, 2019 | | | Dated: April 08, 2019 |

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Consolidated Cash Flow Statement for the year ended March 31, 2019

(₹ in lakhs unless otherwise stated)

| Particulars | Year Ended | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| CASH FLOW FROM OPERATING ACTIVITIES: | | |
| NET PROFIT / (LOSS) BEFORE TAX | 2.20 | (1.23) |
| Depreciation and Amortisation Expenses | 128.71 | 66.97 |
| Amount no Longer Payable Written Back | (11.94) | (204.37) |
| Sundry balances Written Off | 5.55 | - |
| Impairment in value of Investments | 14.52 | - |
| Share of net Profit / (Loss) of Joint venture accounted for using the equity method | 3.51 | (15.48) |
| Impairment of trade receivables | 4.00 | 312.50 |
| Reversal of Impairment loss on Investments | - | (14.53) |
| (Profit) / Loss on disposal of Property Plant & Equipments | - | 0.58 |
| Interest Income | (3.21) | (4.38) |
| Provision for Gratuity and Leave Encashment | 3.18 | (2.53) |
| Interest Expense | 25.39 | 17.59 |
| Operating Profit Before Change in Working Capital | 169.71 | 156.35 |
| | 171.91 | 155.12 |
| Change in Assets & Liabilities | | |
| (Increase) / Decrease in Trade Receivables | 1.97 | (23.89) |
| (Increase) / Decrease in Other Financial Assets | 60.57 | (10.54) |
| (Increase) / Decrease in Other Assets | 15.12 | 67.80 |
| Increase / (Decrease) in Trade Payable | (10.49) | (792.50) |
| Increase / (Decrease) in Provisions | (0.62) | - |
| Increase / (Decrease) in Other Financial Liabilities | 8.85 | (13.84) |
| Increase / (Decrease) in Other Current Liabilities | (85.88) | 63.21 |
| Cash Generated from Operations | 161.43 | (554.64) |
| Taxes Refund Received (Net) | 19.15 | 97.90 |
| Net Cash flow from / (used in) Operating activities | 180.58 | (456.74) |
| CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Interest Received | 12.49 | 1.20 |
| Proceeds from Sale of Property, Plant and Equipment | - | 0.03 |
| Payments for acquisition of Property, Plant and Equipment | (1.37) | (7.97) |
| Net Cash Flow from / (used in) Investing Activities | 11.12 | (6.73) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Long Term Borrowing taken / (repaid) | (190.00) | 350.00 |
| Interest Paid | (25.39) | (17.59) |
| Net Cash Flow from / (used in) Financing Activities | (215.39) | 332.41 |
| Net Increase / (Decrease) in Cash & Cash equivalents | (23.69) | (131.06) |
| Cash & Cash Equivalents at the Beginning of Year | 49.53 | 180.59 |
| Cash & Cash Equivalents at the End of Year | 25.84 | 49.53 |
| Reconciliation of cash and cash equivalents as per Cash Flow Statement | | |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| In Current Accounts | 25.28 | 49.28 |
| Cash in Hand | 0.56 | 0.25 |
| | 25.84 | 49.53 |

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

As per our report of even date

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

For and on behalf of the Board

K Y Narayana
Partner
Membership No. 060639

Vatan Pathan
Director & Chief Executive Officer
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Pallavi Balkur
Company Secretary & Compliance Officer
ACS No. 32276

Basant Haritwal
Chief Financial Officer

Place : Mumbai
Dated: April 08, 2019

Place : Mumbai
Dated: April 08, 2019

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HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Consolidated Statement of changes in equity for the year ended March 31, 2019

(₹ in lakhs unless otherwise stated)

A Equity Share Capital

| Particulars | Amount |
|---|--------|
| Balance as at April 1, 2017 | 810.00 |
| Changes in Equity Share Capital during the year | - |
| Balance as at March 31, 2018 | 810.00 |
| Changes in Equity Share Capital during the year | - |
| Balance as at March 31, 2019 | 810.00 |

B Other Equity:

| Particulars | Reserves and Surplus | | Total |
|---|----------------------|-------------------|------------|
| | Securities Premium | Retained earnings | |
| Balance as at April 1, 2017 | 151.00 | (1,364.89) | (1,213.89) |
| Profit/(Loss) for the year | - | (1.23) | (1.23) |
| Other Comprehensive Income for the year | - | 7.66 | 7.66 |
| Balance as at March 31, 2018 | 151.00 | (1,358.46) | (1,207.46) |
| Profit/(Loss) for the year | - | 2.20 | 2.20 |
| Other Comprehensive Income for the year | - | 1.69 | 1.69 |
| Balance as at March 31, 2019 | 151.00 | (1,354.57) | (1,203.57) |

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

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

As per our report of even date

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana

Partner

Membership No. 060639

Vatan Pathan

Director & Chief Executive Officer

DIN: 07468214

Rajesh Kumar Mittal

Director

DIN: 07957284

Pallavi Balkur

Company Secretary & Compliance Officer

ACS No. 32276

Basant Haritwal

Chief Financial Officer

Place : Mumbai

Dated: April 08, 2019

Place : Mumbai

Dated: April 08, 2019

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Significant Accounting Policies and Notes to the Consolidated Financial Statements

BACKGROUND

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

Authorisation of consolidated financial statements

The consolidated financial statements were authorized for issue in accordance with a resolution of the Board of directors on April 08, 2019.

1.00 SIGNIFICANT ACCOUNTING POLICIES

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

1.01 BASIS OF PREPARATION

(i) Compliance with Ind AS

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

(ii) Historical cost convention

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

1.02 ROUNDING OF AMOUNTS

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

1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

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

- (i) it is expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is expected to be realised within twelve months after the reporting period, or
- (iv) cash 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:

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

All other liabilities are classified as non-current.

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

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

1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

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

the most recently available information.

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

Key sources of estimation uncertainty

- (i) Financial instruments; (Refer note 4.06)
- (ii) Useful lives of Property, Plant and Equipment and intangible assets; (Refer note 1.06 & 1.07)
- (iii) Obligations relating to employee benefits; (Refer note 4.03)
- (iv) Evaluation of recoverability of deferred tax assets; (Refer note 4.10) and
- (v) Contingencies (Refer note 4.01).

1.05 Principles of consolidation and equity accounting

(i) **Joint Venture**

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

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

(ii) **Equity method**

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

Unrealised gains on transactions between the Holding Company and joint venture

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

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

1.06 PROPERTY, PLANT AND EQUIPMENT

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

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

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

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

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

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

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 ₹ 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.

1.07 INTANGIBLE ASSETS

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

Intangible Assets acquired separately

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

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

Derecognition of intangible assets

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

Amortisation of intangible assets

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

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

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

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

Deemed cost for Intangible assets

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

1.08 IMPAIRMENT OF ASSETS

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

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of

the cash inflows from other assets or Holding Company and its Joint Venture's assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.09 CASH AND CASH EQUIVALENTS

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

1.10 FINANCIAL INSTRUMENTS

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

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

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

Classification and Subsequent Measurement: Financial Assets

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

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

Amortised Cost :

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

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

FVTOCI :

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

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL :

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

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

Impairment of Financial Assets

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

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

Classification and Subsequent measurement: Financial Liabilities

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

Financial Liabilities at FVTPL :

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

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

Other Financial Liabilities :

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

subsequently measured at amortised cost using the effective interest method.

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

Derecognition of Financial Assets and Financial Liabilities :

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

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

Offsetting Financial Instruments:

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

1.11 BORROWING COSTS

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

1.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

Contingent liabilities are disclosed in the case of :

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

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

1.13 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

(i) Short-term obligations

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

(ii) Post-employment obligations

The Holding Company and its Joint Venture operates the following post-employment schemes:

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

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit

gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

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

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

Defined contribution plans

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

(iii) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments

to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

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

(iv) Bonus Plans

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

1.14 REVENUE RECOGNITION

(i) Income from Rendering of services

The Company derives revenues primarily from Cable TV business.

Effective April 1, 2018 the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is the summary of new and/ or revised significant accounting policies related to revenue recognition. Refer Note 1 “Significant Accounting Policies” in the Company’s 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

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

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

1. identify the contract with a customer;

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

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

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

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

(ii) Interest Income

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

1.15 TAXES ON INCOME

Current Tax :

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

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

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

Deferred tax:

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

Deferred tax assets are recognised for all deductible temporary differences, the carry

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

1.16 EARNINGS PER SHARE (EPS)

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

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

1.17 LEASES

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the

arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As a Lessee

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Holding Company and its Joint Venture 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.

As a Lessor

Lease income from operating leases where the Holding Company and its Joint Venture is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

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2.01

Property, Plant and Equipment :

| | Gross Carrying Amount | | | Accumulated Depreciation / Impairment | | | Net Carrying Amount | | |
|----------------------|------------------------|-------------------------|------------------------|---------------------------------------|----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at April 1, 2018 | As at March 31, 2019 | As at April 1, 2018 | For the Year * disposal | Elimination on disposal | As at March 31, 2019 | As at March 31, 2019 | As at March 31, 2019 | As at March 31, 2018 |
| Own Assets: | | | | | | | | | |
| Plant and Machinery | 364.93 | 0.26 | 149.06 | 216.13 | 124.38 | 112.80 | 149.06 | 88.12 | 128.01 |
| Air conditioners | 3.44 | 0.72 | - | 4.16 | 2.58 | 0.48 | - | 3.06 | 1.10 |
| Structural fittings | 0.07 | - | 0.07 | - | 0.07 | - | 0.07 | - | - |
| Furniture & Fixtures | 11.17 | - | - | 11.17 | 9.39 | 0.26 | - | 9.64 | 1.52 |
| Mobile & Telephone | 2.01 | 0.40 | - | 2.41 | 1.26 | 0.40 | - | 1.86 | 0.75 |
| Computers | 8.34 | - | - | 8.34 | 7.01 | 0.75 | - | 7.76 | 0.58 |
| Office Equipments | 0.74 | - | - | 0.74 | 0.61 | 0.10 | - | 0.72 | 0.02 |
| Motor Vehicles | 0.15 | - | - | 0.15 | 0.04 | 0.01 | - | 0.05 | 0.09 |
| Total | 390.85 | 1.37 | 149.13 | 243.09 | 145.34 | 114.80 | 149.13 | 111.02 | 132.07 |
| | | | | | | | | | 245.51 |
| Own Assets: | | | | | | | | | |
| Plant and Machinery | 358.64 | 6.99 | 0.70 | 364.93 | 83.31 | 41.16 | 0.09 | 124.38 | 240.55 |
| Air conditioners | 3.44 | - | - | 3.44 | 1.93 | 0.65 | - | 2.58 | 0.86 |
| Structural fittings | 0.07 | - | - | 0.07 | 0.02 | 0.05 | - | 0.07 | - |
| Furniture & Fixtures | 11.17 | - | - | 11.17 | 1.77 | 7.62 | - | 9.39 | 1.78 |
| Mobile & Telephone | 2.01 | - | - | 2.01 | 0.77 | 0.49 | - | 1.26 | 0.75 |
| Computers | 8.34 | - | - | 8.34 | 4.47 | 2.54 | - | 7.01 | 1.33 |
| Office Equipments | 0.74 | - | - | 0.74 | 0.51 | 0.10 | - | 0.61 | 0.13 |
| Motor Vehicles | 0.15 | - | - | 0.15 | 0.03 | 0.01 | - | 0.04 | 0.11 |
| Total | 384.56 | 6.99 | 0.70 | 390.85 | 92.81 | 52.62 | 0.09 | 145.34 | 245.51 |
| | | | | | | | | | 291.75 |

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2.02 Intangible Assets :

| | Gross Carrying Amount | | Accumulated Amortisation / Impairment | | | Net Carrying Amount | |
|----------------------------|------------------------|-------------------------|---------------------------------------|--------------------------|-------------------------|-------------------------|-------------------------|
| | As at April 1, 2018 | As at March 31, 2019 | As at April 1, 2018 | For the Year disposal | As at March 31, 2019 | As at March 31, 2019 | As at March 31, 2018 |
| Cable Television Franchise | 60.36 | 60.36 | 39.52 | 13.17 | 52.69 | 7.67 | 20.84 |
| Softwares | 4.85 | 4.85 | 2.87 | 0.74 | 3.61 | 1.24 | 1.98 |
| Total | 65.21 | 65.21 | 42.39 | 13.91 | 56.30 | 8.91 | 22.82 |

| | Gross Carrying Amount | | Accumulated Amortisation / Impairment | | | Net Carrying Amount | |
|----------------------------|------------------------|-------------------------|---------------------------------------|--------------------------|-------------------------|-------------------------|-------------------------|
| | As at April 1, 2017 | As at March 31, 2018 | As at April 1, 2017 | For the Year disposal | As at March 31, 2018 | As at March 31, 2018 | As at March 31, 2017 |
| Cable Television Franchise | 60.36 | 60.36 | 26.34 | 13.18 | 39.52 | 20.84 | 34.02 |
| Softwares | 4.85 | 4.85 | 1.70 | 1.17 | 2.87 | 1.98 | 3.15 |
| Total | 65.21 | 65.21 | 28.04 | 14.35 | 42.39 | 22.82 | 37.17 |

* Depreciation for the year includes impairment of Plant & Machinery ₹ 87.10 (March 31, 2018 ₹ NIL)

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

| | 0 to 5 years | Total WDV |
|----------------------------|--------------|-------------|
| Cable Television Franchise | 7.67 | 7.67 |
| Softwares | 1.24 | 1.24 |
| | 8.91 | 8.91 |

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| 2.03 Non Current Investments | As at | | As at | |
|--|----------------|--|----------------|--|
| | March 31, 2019 | | March 31, 2018 | |
| Investments in Government securities measured at amortised cost - Unquoted National Saving Certificates (Pledged with Government Authorities) | 1.25 | | 1.25 | |
| Total carrying value | 1.25 | | 1.25 | |
| Aggregate Amount of Unquoted Investments | 1.25 | | 1.25 | |

| 2.04 Loans | Non-current | | Current | |
|-----------------------------|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Security Deposits | | | | |
| Considered good - unsecured | 9.01 | 35.30 | - | - |
| | 9.01 | 35.30 | - | - |

| 2.05 Other financial assets | Non-current | | Current | |
|--|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Fixed Deposits with Bank (Refer Note No. 2.08) | 12.28 | 52.12 | - | - |
| Interest Accrued | 0.41 | 0.04 | 0.66 | 10.32 |
| | 12.69 | 52.16 | 0.66 | 10.32 |

| 2.06 Other assets | Non-current | | Current | |
|--|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Unsecured, considered good unless stated otherwise | | | | |
| Advance Income Tax Paid (Net of Provision for tax) | 44.01 | 63.16 | - | - |
| Prepaid Rent | 3.14 | - | 1.05 | 3.42 |
| Prepaid expenses | - | - | 0.28 | 0.40 |
| Sundry Advances | - | - | - | - |
| Staff Advances | - | - | - | 1.99 |
| GST Receivable | - | - | 54.00 | 67.78 |
| | 47.15 | 63.16 | 55.33 | 73.59 |

| 2.07 Trade Receivables | Current | |
|---------------------------------|----------------|----------------|
| | As at | |
| | March 31, 2019 | March 31, 2018 |
| Trade receivables - Unsecured | 692.95 | 694.92 |
| | 692.95 | 694.92 |
| Less : Provision for impairment | 687.62 | 683.62 |
| | 5.33 | 11.30 |

| 2.08 Cash and cash equivalents | Non-current | | Current | |
|--|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Balances with Banks | | | | |
| In Current Accounts | - | - | 25.28 | 49.28 |
| Cash on hand | - | - | 0.56 | 0.25 |
| | | | 25.84 | 49.53 |
| Other Bank Balances | | | | |
| Fixed Deposits with Bank * | 12.28 | 52.12 | - | - |
| | 12.28 | 52.12 | - | - |
| Less: Amount disclosed under Other financial assets (Refer Note No.2.05) | 12.28 | 52.12 | - | - |
| | - | - | 25.84 | 49.53 |

* Out of the above Fixed deposits with Bank of Maharashtra, deposits of ₹ 12.28 (Previous year ₹ 9.23) is given as security against outstanding bank Guarantees and deposits of ₹ Nil (Previous year ₹ 42.89) is given as security against cash credit limit with the said bank.

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| 2.09 Equity Share Capital | As at | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Paid up Capital comprises: | | |
| 81,00,000 (March 31, 2018 : 81,00,000) Equity Shares of ₹ 10 each fully paid up | 810.00 | 810.00 |
| | 810.00 | 810.00 |

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

| Particulars | As at | | | |
|---|------------------|---------------|------------------|---------------|
| | March 31, 2019 | | March 31, 2018 | |
| | Number of shares | Amount | Number of shares | Amount |
| Shares outstanding at the beginning of the year | 81,00,000 | 810.00 | 81,00,000 | 810.00 |
| Shares outstanding at the end of the year | 81,00,000 | 810.00 | 81,00,000 | 810.00 |

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

| Particulars | As at | |
|---|------------------|------------------|
| | March 31, 2019 | March 31, 2018 |
| | Number of shares | Number of shares |
| Hathway Cable and Datacom Limited (Holding Company) | 20,20,000 | 20,20,000 |
| Hathway Media Vision Private Limited (Wholly Owned subsidiary of Holding Company) | 21,60,000 | 21,60,000 |
| | 41,80,000 | 41,80,000 |

c) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

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

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

| Name of Shareholder | As at | | As at | |
|--------------------------------------|------------------|--------------|------------------|--------------|
| | March 31, 2019 | | March 31, 2018 | |
| | Number of shares | % of Holding | Number of shares | % of Holding |
| Hathway Cable and Datacom Limited | 20,20,000 | 24.94% | 20,20,000 | 24.94% |
| Kuldeep Puri | 5,04,339 | 6.23% | 5,04,339 | 6.23% |
| Kulbhushan Puri | 426,383 | 5.26% | 426,383 | 5.26% |
| Hathway Media Vision Private Limited | 21,60,000 | 26.67% | 21,60,000 | 26.67% |

e) Equity shares allotted as fully paid - up for consideration other than cash :

| | As at | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Equity shares allotted as fully paid - up pursuant to contracts for consideration other than cash in the financial year 2014-15 | 1,00,000 | 1,00,000 |

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| 2.10 Other equity | As at | |
|--------------------|-------------------|-------------------|
| | March 31, 2019 | March 31, 2018 |
| Securities Premium | 151.00 | 151.00 |
| Retained earning | (1,354.57) | (1,358.46) |
| Total | (1,203.57) | (1,207.46) |

a) Retained earnings :

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

b) Securities Premium :

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

| 2.11 Non Current Borrowings | Non - Current portion | | Current Maturities of Long Term Debt | |
|---|-----------------------|----------------|--------------------------------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Loans and Advances from Related Parties | | | | |
| Unsecured | | | | |
| Loan From Fellow Subsidiary | - | 350.00 | 160.00 | - |
| | - | 350.00 | 160.00 | - |
| Less: Amount disclosed under the head 'Other Financial Liabilities' (Note No. 2.14) | - | - | 160.00 | - |
| | - | 350.00 | - | - |

Nature of Security and terms of repayment for borrowings:

| Nature of Security | Terms of Repayment |
|--|---|
| Unsecured Loan | |
| Loan from Hathway Digital Private Limited amounting to ₹ 160 (March 31, 2018: ₹ 350) | Principal repayable within 2 years (extendable as agreed between the Company and Fellow Subsidiary) bearing interest rate @10.6% p.a. |

| 2.12 Provisions | Non - Current | | Current | |
|--------------------------|----------------|----------------|----------------|----------------|
| | As at | | As at | |
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Employee benefits | | | | |
| Gratuity (unfunded) | 6.92 | 7.80 | 0.38 | 0.29 |
| Leave Encashment | 2.21 | 6.12 | 5.75 | 0.20 |
| | 9.13 | 13.92 | 6.13 | 0.49 |

| 2.13 Deferred Tax Liabilities (Net) | As at | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Deferred Tax Assets* | | |
| Provision for Employee benefits | - | - |
| Other temporary differences | - | - |
| Carried forward Business Losses | - | - |
| | (A) | - |
| Deferred Tax Liabilities | | |
| Property, Plant and Equipment | - | - |
| | (B) | - |
| Net Deferred Tax Liabilities (A-B) | - | - |

* Refer Note no. 4.10 for Expiry schedule of deferred tax assets not recognised.

| 2.14 Other Financial Liabilities | As at | |
|--|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Current Maturities of Long term debt (Refer Note 2.11) | 160.00 | - |
| Security Deposits | 45.64 | 45.64 |
| Salary and Employee benefits payable | 8.97 | 11.81 |
| Other Financial Liabilities | 34.81 | 23.12 |
| | 249.42 | 80.57 |

| 2.15 Other Current Liabilities | As at | |
|--------------------------------|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Income received in advance | 15.46 | 100.84 |
| Statutory payables | 11.44 | 11.96 |
| Others | 1.86 | 1.86 |
| | 28.76 | 114.66 |

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| 3.01 Revenue from operations | Year Ended | |
|---|-----------------------|-----------------------|
| | March 31, 2019 | March 31, 2018 |
| Sale of services | 471.17 | 487.04 |
| | 471.17 | 487.04 |
| 3.02 Other Income | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Interest income earned on financial assets : | | |
| Interest on Fixed Deposit | 3.20 | 4.33 |
| Interest on Government Securities | 0.01 | 0.05 |
| Unwinding Interest on Security Deposit | 0.80 | 2.27 |
| Interest on Income Tax Refund | 2.59 | 18.63 |
| Other Non Operating Income | | |
| Amount no Longer Payable Written Back | 11.94 | 204.37 |
| Reversal of Impairment in value of Investments | - | 14.53 |
| Miscellaneous Income | 0.08 | 0.71 |
| | 18.62 | 244.89 |
| 3.03 Other Operational Expenses | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Commission | 24.94 | 13.74 |
| Consultancy Charges | - | 7.95 |
| Repairs & Maintenances - Machinery | 8.50 | 11.72 |
| Rent | 8.17 | 13.24 |
| Other Operating Expenses | 16.27 | 39.51 |
| | 57.88 | 86.16 |
| 3.04 Employee Benefit Expenses | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Salaries and wages | 48.02 | 51.70 |
| Contribution to Provident fund and other funds | 3.27 | 4.20 |
| Staff welfare expenses | 0.94 | 1.45 |
| | 52.23 | 57.35 |
| 3.05 Finance Costs | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Interest Expenses | 25.39 | 17.59 |
| | 25.39 | 17.59 |
| 3.06 Depreciation, Amortization and Impairment | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Depreciation on Property, Plant and Equipment | 114.80 | 52.62 |
| Amortisation of intangible assets | 13.91 | 14.35 |
| | 128.71 | 66.97 |
| 3.07 Other Expenses | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Impairment of trade receivables | 4.00 | 312.50 |
| Bad Debts | - | 151.39 |
| Less: Transfer from Impairment of trade receivables | - | (151.39) |
| | - | - |
| Services charges | 25.38 | 29.18 |
| Legal & Professional charges | 12.56 | 4.69 |
| Printing and stationery | 7.01 | 4.31 |
| Sundry balances Written Off | 5.55 | - |
| Conveyance | 5.48 | 7.11 |
| Electricity charges | 4.00 | 4.45 |
| Business promotion expenses | 2.72 | 4.99 |
| Sitting Fees | 2.30 | 2.04 |
| Office expenses | 1.69 | 0.80 |
| Communication charges | 0.89 | 2.38 |
| Repairs & Maintenances - Others | 0.67 | 2.25 |
| Insurance others | 0.63 | 1.86 |
| Loss on Sale of assets | - | 0.58 |
| Rates and taxes | 0.00 | 0.22 |
| Interest on Taxes | 0.00 | 0.05 |
| Miscellaneous Expenses | 5.95 | 5.78 |
| Auditor's Remuneration : | | |
| - Statutory Audit Fees | 3.73 | 3.00 |
| | 82.56 | 386.19 |
| 3.08 Exceptional Item | Year Ended | |
| | March 31, 2019 | March 31, 2018 |
| Impairment of Investments in Joint Venture | 14.52 | - |
| | 14.52 | - |

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Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.01 Contingent Liabilities

There is no claim against the Company which can be acknowledged as debt (March 31, 2018 : Nil)

4.02 Capital And Other Commitments

There are no Capital and other commitments as at March 31, 2019 (March 31, 2018 : Nil)

4.03 Employee Benefits

a) Defined Benefit Plans:

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

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

| Category | March 31, 2019 [Gratuity] | March 31, 2018 [Gratuity] |
|--|------------------------------|------------------------------|
| 1. Expense recognised in the Statement of Profit and Loss | | |
| Current Service Cost | 0.91 | 2.14 |
| Net Interest | 0.60 | 1.33 |
| Expense recognised in the Statement of Profit and Loss | 1.51 | 3.47 |
| 2. Other Comprehensive Income (OCI) | | |
| Measurement of net defined benefit liability | | |
| Actuarial (gains)/ losses arising from changes in financial assumption | (3.86) | (1.79) |
| Actuarial (gains)/ losses arising from experience adjustments | 2.17 | (5.87) |
| Total Actuarial (Gain) / loss recognised in OCI | (1.69) | (7.66) |
| 3. Change in benefit obligations: | | |
| Projected benefit obligations at beginning of the year | 8.09 | 18.23 |
| Current Service Cost | 0.91 | 2.14 |
| Interest Cost | 0.60 | 1.33 |
| Benefits Paid | (0.61) | (5.95) |
| Actuarial (Gain) / Loss | (1.69) | (7.66) |
| Projected benefit obligations at end of the year | 7.29 | 8.09 |
| 4. Fair Value of Plan Asset | | |
| Fair Value of Plan Asset at the beginning of the year | - | - |
| Contributions by employer | (0.61) | (5.96) |
| Benefits Paid | 0.61 | 5.96 |
| Fair Value of Plan assets at end of the year | - | - |

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

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| Category | March 31, 2019 [Gratuity] | March 31, 2018 [Gratuity] |
|---|------------------------------|------------------------------|
| 5. Net Liability | | |
| Projected benefit obligations at the end of the year | 7.29 | 8.09 |
| Fair Value of Plan Asset at the end of the year | - | - |
| Net Liability | 7.29 | 8.09 |
| 6. The net liability disclosed above relates to unfunded plans are as follows: | | |
| Projected benefit obligations at the end of the year | 7.29 | 8.09 |
| Fair Value of Plan Asset at the end of the year | - | - |
| Deficit of gratuity plan | 7.29 | 8.09 |
| 7. Sensitivity Analysis | | |
| Increase/(decrease) on present value of benefit obligation at the end of the year | | |
| 50 basis point increase in discount rate | (6.93) | (7.62) |
| 50 basis point decrease in discount rate | 7.68 | 8.60 |
| 50 basis point increase in rate of salary increase | 7.69 | 8.59 |
| 50 basis point decrease in rate of salary increase | (6.92) | (7.62) |
| 8. Principal assumptions used for the purpose of actuarial valuation | | |
| Mortality | IALM (2012-2014) UTI | IALM (2006-2008) UTI |
| Interest /discount rate | 7.90% | 7.54% |
| Rate of increase in compensation | 5.00% | 8.50% |
| Expected average remaining service | 11.08 | 10.08 |
| Employee Attrition Rate (Past service (PS)) | 5.00% | 5.00% |

b. Defined Contribution Plans:

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

Amount of ₹ 3.27 (Previous year ₹ 4.20) is recognised as an expenses and included in Employee benefit expenses (Refer Note 3.04)

4.04 Leases

Operating Lease (as a lessee)

Details of Cancellable Leases are as under:

The Holding Company's significant leasing arrangements in terms of IND AS 17 are in respect of Operating Leases for Premises. These leasing arrangements, which are cancellable in nature range between 11 months to 60 months and are renewable by mutual consent.

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

Rental Expenses debited to the Statement of Profit and Loss ₹ 8.17 (March 31, 2018: ₹ 13.24).

Operating Lease (As a lessor)

Details of Cancellable Leases are as under:

Lease income credited to the Statement of Profit and Loss ₹ 30.00 (March 31, 2018: ₹ 15.00).

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.05 Capital Management

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

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

4.06 Financial Instruments

i) Methods and assumptions used to estimate the fair values

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

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

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

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

ii) Categories of financial instruments

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

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

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

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

| Particulars | March 31, 2019 | | March 31, 2018 | |
|-----------------------------------|-----------------|------------|-----------------|------------|
| | Carrying values | Fair value | Carrying values | Fair value |
| Financial assets | | | | |
| Measured at amortised cost | | | | |
| Investments | 1.25 | 1.25 | 1.25 | 1.25 |
| Trade receivables | 5.33 | 5.33 | 11.30 | 11.30 |
| Loans | 9.01 | 9.01 | 35.30 | 35.30 |
| Other financial assets | 13.35 | 13.35 | 62.48 | 62.48 |
| Cash and cash equivalents | 25.84 | 25.84 | 49.53 | 49.53 |
| Financial liabilities | | | | |
| Measured at amortised cost | | | | |
| Borrowings | - | - | 350.00 | 350.00 |
| Trade payables | 429.53 | 429.53 | 451.96 | 451.96 |
| Other financial liabilities | 249.42 | 249.42 | 80.57 | 80.57 |

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4.07 Financial Risk Management

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

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

Credit risk

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

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

| Age of Receivables | As At March 31, | |
|--------------------------|-----------------|---------------|
| | 2019 | 2018 |
| Within the credit period | | |
| 1-90 days past due | 53.60 | 100.36 |
| 91-180 days past due | 54.43 | 73.72 |
| 181-270 days past due | 32.42 | 0.35 |
| 271-360 days past due | 32.42 | 0.08 |
| More than 365 days | 520.09 | 520.41 |
| | 692.95 | 694.92 |

| Movement in the expected credit loss allowance | Year ended March 31, | |
|--|----------------------|---------------|
| | 2019 | 2018 |
| Balance at beginning of the year | 683.62 | 522.52 |
| Provided during the year | 4.00 | 312.50 |
| Write off during the year | - | (151.39) |
| Balance at end of the year | 687.62 | 683.62 |

Liquidity risk

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

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

Maturities of financial liabilities

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

March 31, 2019

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

March 31, 2018

| Particulars | less than 1 year | 1 to 5 year | Total |
|-----------------------------|------------------|---------------|---------------|
| <u>Non-Derivatives</u> | | | |
| Trade payables | 451.96 | - | 451.96 |
| Borrowings | - | 350.00 | 350.00 |
| Other financial liabilities | 80.57 | - | 80.57 |
| Total | 532.53 | 350.00 | 882.53 |

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4.08 Segmental Reporting

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

4.09 Related Party Disclosures

Particulars of Related Parties

A. Name of Related Parties and Related party Relationship

I. Controlled by:

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

II. Joint Venture

Hathway Bhawani NDS Network Private Limited

III. Fellow Subsidiary

Hathway Digital Private Limited

IV. Key Managerial Personnel

| | |
|---|---|
| a. Executive Directors | Mr. Sameer Joseph - Managing Director & CEO (upto October 04, 2017) |
| b. Non Executive Directors Independent Directors | Mr. Dilip Worah Mr. L. K. Kannan |
| Non Independent Directors | Mr. Vineet Garg (upto March 30, 2018) Mr. Shyam P V (upto April 04, 2018) Mr. Vatan Pathan* - Director & CEO * (Additional director w.e.f. November 07, 2017, appointed as a Chief Executive Officer w.e.f. April 03, 2018) Mr. Rajesh Kumar Mittal (w.e.f. April 06, 2018) Ms. Pallavi Balkur (w.e.f. April 06, 2018) |

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

Compensation to Key Managerial Personnel :-

| Particulars | F.Y. 2018-19 | F.Y. 2017-18 |
|---------------------------|--------------|--------------|
| Sitting fees | 2.30 | 2.04 |
| Total Compensation | 2.30 | 2.04 |

B. Related Party Transactions

| Type of Transactions | Name of the Party | F.Y. 2018-19 | F.Y. 2017-18 |
|---|---|--------------|--------------|
| Consultancy charges earned | Hathway Bhawani NDS Network Private Limited | 23.00 | 12.15 |
| Loan taken | Hathway Digital Private Limited | - | 350.00 |
| Loan repaid | Hathway Digital Private Limited | 190.00 | - |
| Commission Income | Hathway Digital Private Limited | 122.52 | 135.79 |
| Network Usage Charges earned | Hathway Digital Private Limited | 30.00 | 15.00 |
| Feed Charges | Hathway Digital Private Limited | 122.80 | 134.38 |
| STB Activation Expenses | Hathway Digital Private Limited | 11.08 | - |
| Interest paid | Hathway Digital Private Limited | 25.39 | 17.59 |
| (Impairment) / Reversal of Impairment in value of Investments | Hathway Bhawani NDS Network Private Limited | (14.53) | 14.53 |

| Type of Balances | Name of the Party | As at March 31, 2019 | As at March 31, 2018 |
|------------------------------------|---|----------------------|----------------------|
| Balance as at year end | | | |
| Trade Payable | Hathway Cable and Datacom Limited | 35.41 | 48.18 |
| Unsecured Loan | Hathway Digital Private Limited | 160.00 | 350.00 |
| Unearned Revenue | Hathway Digital Private Limited | - | 49.50 |
| Trade Payable | Hathway Digital Private Limited | 381.52 | 340.74 |
| Investments | Hathway Bhawani NDS Network Private Limited | 54.05 | 54.05 |
| Impairment in value of Investments | Hathway Bhawani NDS Network Private Limited | 14.53 | - |

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- 4.10 In the absence of reasonable certainty of availability of taxable business income in near future against which the deferred tax assets can be adjusted, the Holding Company has not recognised deferred tax assets. (Refer to Note 2.13)

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

| Particulars | Indefinite | Total |
|---------------------------------|---------------|---------------|
| Unabsorbed depreciation | 35.58 | 35.58 |
| Deductible temporary difference | 204.02 | 204.02 |
| Total | 239.60 | 239.60 |

4.11 Earnings / (Loss) Per Share

| | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Basic earnings per share (₹) | | |
| Attributable to equity holders of the Company | 0.03 | (0.02) |
| Diluted earnings per share (₹) | | |
| Attributable to equity holders of the Company | 0.03 | (0.02) |
| Nominal value of Ordinary shares : (₹) | 10.00 | 10.00 |
| Reconciliation of earnings used in calculating earnings per share : | | |
| Basic earnings per share | | |
| Profit / (Loss) attributable to equity holders of the Company used in calculating basic earnings per share | 2.20 | (1.23) |
| Diluted earnings per share | | |
| Profit / (Loss) attributable to equity holders of the Company used in calculating diluted earnings per share | 2.20 | (1.23) |
| Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share | 8,100,000 | 8,100,000 |

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

| | As at March 31, 2019 | As at March 31, 2018 |
|---|-------------------------|-------------------------|
| Principal amount due and remaining unpaid | - | - |
| Interest due on above and the unpaid interest | - | - |
| Interest paid | - | - |
| Payment made beyond the appointed day during the year | - | - |
| Interest due and payable for the period of delay | - | - |
| Interest due and remaining unpaid | - | - |
| Interest accrued and remaining unpaid | - | - |

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4.13 Revenue from contract with customers

Disaggregation of Revenue

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

Contract Balances

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

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

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

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

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

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

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

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

Performance Obligations And Remaining Performance Obligations

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

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

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4.14 Interest in other entities

a) Interest in Joint Venture

Below is the joint venture of the Holding Company as at March 31, 2019 which, in the opinion of the directors, is material to the Holding Company. The entity listed below has share capital consisting solely of equity shares, which are held directly by the Holding Company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

| Name of the entity | Place of business | % of ownership interest | Relationship | Accounting method | Carrying amount | |
|---|-------------------|-------------------------|---------------|-------------------|-----------------|----------------|
| | | | | | March 31, 2019 | March 31, 2018 |
| Hathway Bhawani NDS Network Private Limited * | India | 51% | Joint Venture | Equity Method | 31.16 | 49.20 |

* Unquoted

Place of incorporation and operations: India

Principal activity: Cable television network services

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

| | March 31, 2019 | March 31, 2018 |
|--|----------------|----------------|
| Opening net assets | 67.99 | 37.63 |
| Profit / (Loss) for the year | (6.89) | 30.36 |
| Other comprehensive income | - | - |
| Closing net assets | 61.10 | 67.99 |
| Holding Company's share in % | 51% | 51% |
| Holding Company's Share in INR | 31.16 | 34.67 |
| Reversal of impairment in value of investments | - | 14.53 |
| Carrying amount | 31.16 | 49.20 |

Summarised Balance Sheet

| Particulars | Hathway Bhawani NDS Network Private Limited | |
|--------------------------------------|---|----------------|
| | March 31, 2019 | March 31, 2018 |
| Current assets | | |
| Cash and cash equivalents | 11.08 | 4.66 |
| Other assets | 13.84 | 25.03 |
| Total Current assets | 24.92 | 29.69 |
| Total Non current assets | 50.80 | 48.61 |
| Current liabilities | | |
| Financial Liabilities | 9.20 | 1.45 |
| Other liabilities | 5.04 | 7.26 |
| Total current liabilities | 14.24 | 8.71 |
| Non current liabilities | | |
| Financial Liabilities | - | - |
| Other liabilities | 0.38 | 1.60 |
| Total Non current liabilities | 0.38 | 1.60 |
| Net assets | 61.10 | 67.99 |

Summarised Statement of Profit and Loss

| Particulars | Hathway Bhawani NDS Network Private Limited | |
|--|---|----------------|
| | March 31, 2019 | March 31, 2018 |
| Revenue | 115.23 | 108.54 |
| Interest Income | 0.07 | 0.05 |
| Depreciation & amortisation | 0.56 | 0.60 |
| Interest expense | - | - |
| Income Tax expense | 3.48 | 29.91 |
| Profit or (loss) for the year | (6.89) | 30.36 |
| Other Comprehensive income or (loss) for the year | - | - |
| Total Comprehensive income or (loss) for the year | (6.89) | 30.36 |
| Dividend received | - | - |

Share in Contingent Liabilities of Hathway Bhawani NDS Network Private Limited is Rs. NIL (March 31, 2018: ₹ NIL)

Share in Capital and Other Commitments of Hathway Bhawani NDS Network Private Limited is ₹ NIL (March 31, 2018: ₹ NIL)

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

March 31, 2019 :

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

March 31, 2018 :

| Name of the entity | Net assets (total assets minus total liabilities) | | Share in profit or (loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|--|---|-----------------|-------------------------------------|---------------|---|-------------|---|-------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| Parent | | | | | | | | |
| Hathway Bhawani Cabletel & Datacom Limited | 112.38% | (446.66) | 1357.73% | (16.71) | 100.00% | 7.66 | -140.83% | (9.05) |
| Joint Venture (Investment as per equity method) | | | | | | | | |
| Indian | | | | | | | | |
| Hathway Bhawani NDS Network Private Limited | -12.38% | 49.20 | -1257.73% | 15.48 | 0.00% | - | 240.83% | 15.48 |
| Total | 100.00% | (397.46) | 100.00% | (1.23) | 100.00% | 7.66 | 100.00% | 6.43 |

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

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

For and on behalf of the Board

K Y Narayana
Partner
Membership No. 060639

Vatan Pathan
Director & Chief Executive Officer
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Pallavi Balkur
Company Secretary & Compliance Officer
ACS No. 32276

Basant Haritwal
Chief Financial Officer

Place : Mumbai
Dated: April 08, 2019

Place : Mumbai
Dated: April 08, 2019

ATTENDANCE SLIP

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

hathw@ybhawani

Hathway Bhawani Cabletel & Datacom Limited

CIN: L65910MH1984PLC034514

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

Tel: 91-22-67742500 Fax: 91-22-67742400

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

| | |
|---|--|
| Registered Folio No./DP ID No. / Client ID No.; | |
| Name and address of the Member(s) Joint Holder 1 Joint Holder 2 | |
| Number of Shares held: | |

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 35th Annual General Meeting of the Company at Ground Floor, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai 400 098 on Wednesday, 7th August, 2019 at 3.00 p.m.

Name of the member / proxy

Signature of member / proxy

Note:

- Please fill up the attendance slip and hand it over at the entrance of the meeting hall.*
- Members are requested to bring their copies of the Annual Report to the AGM.*

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

| |
|--|
| EVSN (Electronic Voting Sequence Number) |
| |

Note: Please read the instructions printed in the Notice of 35th Annual General Meeting dated 8th April, 2019. The Voting period starts from Sunday, 4th August, 2019 at 10.00 am and ends on Tuesday, 6th August, 2019 at 5.00 pm. The voting module shall be disabled by CDSL for voting thereafter.

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MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

35th Annual General Meeting – 7th August, 2019

| | |
|--------------------------------|--|
| Name of the Member(s) : | |
| Registered Address : | |
| Email Id : | |
| Folio No. / Client ID : | |
| DP ID : | |

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name: _____ E-mail Id: _____
Address: _____
Signature: _____ **or failing him**
2. Name: _____ E-mail Id : _____
Address: _____
Signature: _____ **or failing him**
3. Name: _____ E-mail Id : _____
Address: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Wednesday, 7th August, 2019 at 3.00 p.m. at Ground Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai 400 098 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Particulars | Voting | | |
|----------------|--|--------|---------|---------|
| | | For | Against | Abstain |
| | Ordinary Business | | | |
| 1 | Adoption of: | | | |
| | a. the audited standalone Financial Statements of the Company for the year ended 31st March, 2019 comprising of Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Reports of Directors and Auditors thereon, and | | | |
| | b. the audited consolidated Financial Statements of the Company for the year ended 31st March, 2019 comprising of | | | |

| | | | | |
|---|---|--|--|--|
| | consolidated Balance Sheet as at 31st March, 2019 and the consolidated Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Report of the Auditors thereon. | | | |
| 2 | To appoint a Director in place of Mr. Vatan Pathan, (DIN 07468214), liable to retire by rotation and being eligible seeks reappointment. | | | |
| | Special Business | | | |
| 3 | To appoint Mr. Dilip Worah (DIN: 00047252) as an Independent Director of the Company and to hold office for a period of five years from the conclusion of ensuing Annual General Meeting and that he shall not be liable to retire by rotation. | | | |
| 4 | To appoint Mr. L.K. Kannan, (DIN 00110428) as an Independent Director of the Company and to hold office for a period of five years from the conclusion of ensuing Annual General Meeting and that he shall not be liable to retire by rotation. | | | |

Signed this _____ day of _____ 2019

Signature of shareholder _____

Signature of Proxy holder(s) _____

| |
|---|
| Affix revenue Stamp of Re. 1/- |
|---|

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Form No. MGT-12**Polling Paper**

Polling Paper [Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

hathw@ybhawani

Hathway Bhawani Cabletel & Datacom Limited

CIN: L65910MH1984PLC034514

805/806, Windsor, 8th Floor, Off CST Road, Kalina, Santacruz East, Mumbai – 400 098

Tel: 91-22-67742500 Fax: 91-22-67742400

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

35th Annual General Meeting – 7th August, 2019 at Ground Floor, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai 400098 at 3.00 p.m.

| | |
|--------------------------------|--|
| Name of the Member(s) : | |
| Registered Address : | |
| Email Id : | |
| Folio No. / Client ID : | |
| DP ID : | |
| Class of Share : | |

I hereby exercise my vote in respect of Ordinary resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

BALLOT PAPER

| Resolution No. | Particulars | Voting | | |
|----------------|---|--------|---------|---------|
| | | For | Against | Abstain |
| | Ordinary Business | | | |
| 1 | Adoption of: | | | |
| | a. the audited standalone Financial Statements of the Company for the year ended 31st March, 2019 comprising of Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Reports of Directors and Auditors thereon, and | | | |
| | b. the audited consolidated Financial Statements of the Company for the year ended 31st March, 2019 comprising of consolidated Balance Sheet as at 31st March, 2019 and the consolidated Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Report of the Auditors thereon. | | | |
| 2 | To appoint a Director in place of Mr. Vatan Pathan, (DIN 07468214), liable to retire by rotation and being eligible seeks reappointment. | | | |

| Special Business | | | | |
|-------------------------|---|--|--|--|
| 3 | To appoint Mr. Dilip Worah (DIN: 00047252) as an Independent Director of the Company and to hold office for a period of five years from the conclusion of ensuing Annual General Meeting and that he shall not be liable to retire by rotation. | | | |
| 4 | To appoint Mr. L.K. Kannan, (DIN 00110428) as an Independent Director of the Company and to hold office for a period of five years from the conclusion of ensuing Annual General Meeting and that he shall not be liable to retire by rotation. | | | |

Place:

Date:

Signature of the Shareholder

Book Post

If Undelivered, Please Return to :

Hathway Bhawani Cabletel & Datacom Ltd.

Regd. Office : 805/806, Windsor, 8th Floor, Off CST Road,
Kalina, Santacruz (East), Mumbai - 400 098.

Tel.: +91-22-67742500 • Fax : +91-22-67742400

CIN : L65910MH1984PLC034514

Shailesh Printers : Cell. : +91 97690 11535