

BEE NETWORK AND COMMUNICATION LIMITED

Financial Statements

2020-21

INDEPENDENT AUDITOR'S REPORT

**To The Members of
BEE NETWORK AND COMMUNICATION LIMITED**

Report on the Audit of the Standalone Ind-AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **BEE NETWORK AND COMMUNICATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (Herein after referred to as "Standalone Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2021, and its profit/loss (including other comprehensive income/(loss), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 4.09 of Financial Statement, as regards the management's assessment of the financial impact due to restrictions and conditions related to Covid-19 pandemic situation.

We further draw your attention to Note 4.10 of Financial Statement, as regards to the merger of Bee Network and Communication Limited along

with twenty-one other fellow subsidiaries with into Hathway Digital Limited – its holding Company. The Appointed Date of the Scheme is April 1, 2021, however, it will take effect upon receipt of requisite approvals and fulfilment of conditions as stated in the Scheme of Merger. Pending the Scheme of Merger coming into force, no effect of the same have been considered in this financial results.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind-AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read together with relevant rules issued thereunder and relevant provisions of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind-AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Certain events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern and repay loans provided by holding Company. In such circumstances, Going Concern Basis of Accounting has not been adopted by the management for the preparation of financial statements.

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

Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comment in the Annexure A 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 reports on the accounts of the branch offices of the Company audited under section 143(8) of the act is not applicable since company is not having any branch.
- d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- e) In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) 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**”.

- 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 financial position.
 - (ii). The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For MRB & Associates

Chartered Accountants

FRN: 136306W

Ghanshyam P Gupta

Partner

M. No. : 138741

UDIN: 21138741AAAAAH5650

Place: Mumbai

Date: 8th April, 2021

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of the BEE NETWORK AND COMMUNICATION LIMITED on the Financial Statements for the year ended 31st March 2021)

We report that:

- I. The Company does not have any fixed assets. Hence this clause and its subclauses are not applicable to the company.
- II. The Company does not have any inventory. Hence this clause is not applicable to the company.
- III. According to the information and explanations given to us, the company has not granted any loans to companies, firms, Limited liability partnership or other parties covered in the Register maintained under section 189 of the Companies Act, 2013; hence this clause is not applicable to the company.
- IV. The company has not advanced any loan, investments, guarantees and securities during the period under audit and the provisions of section 185 and 186 of the Companies Act, 2013; hence this clause is not applicable to the company.
- V. The company has not accepted any public deposits during the year and hence this clause is not applicable to the company.
- VI. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company; hence this clause is not applicable to the company.
- VII. In respect of statutory dues:-
 - a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Income-Tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues to the appropriate authorities.
 - b) According to the information and explanations given to us, there are no dues of duty of customs, income tax, sales tax, duty of excise, service tax, value added tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.
- VIII. In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to a

financial institutions or banks as there is no borrowing from financial institutions or banks.

- IX. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under review; hence this clause is not applicable to the company.
- X. In our opinion and according to the information and explanations given to us, no material fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- XI. No Managerial Remuneration has been paid or provided in the books of accounts during the period under Audit.
- XII. The Company has not been classified as Nidhi Company defined under section 406(1) of the Companies Act; hence this clause is not applicable to the company.
- XIII. According to the information and explanations provided by the management transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XV. The Company has not entered into any non- cash transactions with directors or persons connected with him; hence this clause is not applicable to the company.
- XVI. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934; hence this clause is not applicable to the company.

For MRB & Associates

Chartered Accountants

FRN: 136306W

Ghanshyam P Gupta

Partner

M. No. : 138741

UDIN: 21138741AAAAAH5650

Place: Mumbai

Date: 8th April, 2021

Annexure - B to the Independent Auditors' Report

ANNEXURE REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS"

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (h) OF SUB-SECTION 3 OF SECTION 143(3) OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to financial statement of **Bee Network and Communication Limited** ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone Ind AS 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 control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 statement 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 statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial

statement, 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 Ind AS 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 statement.

Meaning of Internal Financial Controls with reference to financial statement

A company's internal financial control with reference to financial statement 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 control with reference to financial statement 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 statement

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 statement to future periods are subject to the risk that the internal financial control with reference to financial statement 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 statement and such internal financial controls with reference to financial statement were operating effectively as at 31st March 2021, based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to financial statement issued by the Institute of Chartered Accountants of India.

For MRB & Associates

Chartered Accountants

FRN: 136306W

Ghanshyam P Gupta

Partner

M. No. : 138741

UDIN: 21138741AAAAAH5650

Place: Mumbai

Date: 8th April, 2021

BEE NETWORK AND COMMUNICATION LIMITED
 (Formerly known as BEE Network and Communication Private Limited)
CIN : U64200MH1996PLC287619

BALANCE SHEET AS AT MARCH 31, 2021

(Rs. in lacs)

Particulars	Notes	As at	As at
		March 31, 2021	March 31, 2020
ASSETS			
Non-Current Assets		-	-
Current Assets			
Cash and Cash Equivalents	2.01	124.09	-
Total Assets		124.09	-
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.02	134.09	10.00
Other Equity	2.03	(132.30)	(144.48)
Total Equity		1.79	(134.48)
Non-Current Liabilities			
Financial Liabilities			
Borrowings	2.04	36.95	36.95
Other Financial Liabilities	2.05	82.96	97.35
Total Non-Current Liabilities		119.91	134.30
Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	2.05	2.39	0.18
Current Tax Liabilities (Net)		0.00	-
Total Current Liabilities		2.39	0.18
Total Equity and Liabilities		124.09	0.00
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For MRB & Associates
Chartered Accountants
 FRN:136306W

For and on behalf of the Board

Ghanshyam P Gupta
Partner
 Membership No. 138741

Narendra Kumar
Pedavalli
Director
 DIN: 08021260

Sangeet Kumar
Nigam
Director
 DIN: 07687835

Place : Mumbai
 Date : 8th April, 2021

Place : Bangalore
 Date : 8th April, 2021

BEE NETWORK AND COMMUNICATION LIMITED
 (Formerly known as BEE Network and Communication Private Limited)
CIN : U64200MH1996PLC287619

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in lacs)

Particulars	Notes	Year Ended	Year Ended
		March 31, 2021	March 31, 2020
INCOME			
Other Income	3.01	14.49	0.18
Total		14.49	0.18
EXPENDITURE			
Other Expenses	3.02	2.31	0.18
Total		2.31	0.18
Profit / (Loss) before Exceptional items and Tax		12.18	-
Exceptional Items		-	-
Net Profit / (Loss) before Tax		12.18	-
Tax Expense:		0.00	-
Net Profit / (Loss) for the year (A)		12.18	-
Other Comprehensive Income / (Loss) for the year, net of Tax (B)		-	-
Total Comprehensive Income / (Loss) for the year, net of Tax (A+B)		12.18	-
Earnings per equity share :	3.03		
Weighted Average No. of Shares		130,587	99,989
1) Basic (in Rs.)		9.32	-
2) Diluted (in Rs.)		9.32	-
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For MRB & Associates
Chartered Accountants
 FRN:136306W

For and on behalf of the Board

Ghanshyam P Gupta
Partner
 Membership No. 138741

Narendra Kumar
Pedavalli
Director
 DIN: 08021260

Sangeet Kumar
Nigam
Director
 DIN: 07687835

Place : Mumbai
 Date : 8th April, 2021

Place : Bangalore
 Date : 8th April, 2021

BEE NETWORK AND COMMUNICATION LIMITED
 (Formerly known as BEE Network and Communication Private Limited)
CIN : U64200MH1996PLC287619

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A Equity Share Capital

Particulars	Note No.	Rs in lacs
Balance as at March 31, 2019	2.02	10.00
Changes in equity share capital	2.02	-
Balance as at March 31, 2020	2.02	10.00
Changes in equity share capital	2.02	124.09
Balance as at March 31, 2021		134.09

B Other Equity:

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at March 31, 2019	29.99	(174.47)	(144.48)
Net Profit/(Loss) for the year	-	-	-
Other Comprehensive Income/(Loss) for the year	-	-	-
Balance as at March 31, 2020	29.99	(174.47)	(144.48)
Net Profit/(Loss) for the year	-	12.18	12.18
Other Comprehensive Income/(Loss) for the year	-	-	-
Balance as at March 31, 2021	29.99	(162.29)	(132.30)

Summary of Significant Accounting Policy Refer (Note 1)

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

As per our report of even date
For MRB & Associates
Chartered Accountants
 FRN:136306W

For and on behalf of the Board

Ghanshyam P Gupta

Partner
 Membership No. 138741

Narendra Kumar Sangeet Kumar
Pedavalli Nigam
Director Director
 DIN: 08021260 DIN: 07687835

Place : Mumbai
 Date : 8th April, 2021

Place : Bangalore
 Date : 8th April, 2021

BEE NETWORK AND COMMUNICATION LIMITED

(Formerly known as BEE Network and Communication Private Limited)

CIN : U64200MH1996PLC287619**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

(Rs. in lacs)

Particulars	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
<u>Cash Flows From Operating Activities:</u>		
Profit before taxation	12.18	-
Increase/(Decrease) in Non current Other Financial Liabilities	(14.39)	-
Increase/(Decrease) in current Other Financial Liabilities	2.21	-
Cash generated from Operations	0.00	-
Income taxes paid	-	-
Net cash from operating activities	0.00	-
<u>Cash flows from Investing Activities</u>	-	-
<u>Cash flows from Financing Activities</u>	-	-
Proceed from issue of Equity Share capital	124.09	-
Net Increase/(Decrease) in Cash and Cash Equivalents	124.09	-
Cash and Cash Equivalents at beginning of year	-	-
Cash and Cash Equivalents at end of year	124.09	-
<u>Reconciliation of cash and cash equivalents as per Cash Flow Statement</u>		
Cash and Cash equivalents as per above comprising of the following-		
Balance with Bank - Current Account	124.09	-
Cash on Hand	-	-
Balance other than Above	-	-
Balance as per cash flow statement	124.09	-

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

As per our report of even date

For MRB & Associates**Chartered Accountants**

FRN:136306W

For and on behalf of the Board**Ghanshyam P Gupta****Partner**

Membership No. 138741

Narendra Kumar**Pedavalli****Director**

DIN: 08021260

Sangeet Kumar**Nigam****Director**

DIN: 07687835

Place : Mumbai

Date : 8th April, 2021

Place : Bangalore

Date : 8th April, 2021

BEE NETWORK AND COMMUNICATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS

CORPORATE INFORMATION

Bee Network and Communication Limited is a company limited by shares domiciled in India and incorporated under the provisions of the Companies Act, 1956 having registered office at 805/806, Windsor, 8th Floor, Off CST Road, Kalina, Santacruz (East), Mumbai Maharashtra 400098. The Company is engaged in the business of receiving and distributing channel signals and acting as cable operators.

1.00 SIGNIFICANT ACCOUNTING POLICIES

1.01 Authorization of standalone financial statements

The standalone financial statements were authorized for issue in accordance with a resolution of the Board of Directors on 8th April, 2021.

1.02 Summary of Significant accounting policies

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

1.03 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 (including derivative instruments) is measured at fair value.

1.04 Current versus Non-Current Classification

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

- i Expected to be realised or intended to sold or consumed in normal operating cycle
- ii Held primarily for the purpose of trading
- iii 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 current when:

- 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

The Company classifies all other liabilities as non-current.

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

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

1.05 Use of Judgments, Estimates & Assumptions

While preparing standalone financial statements in conformity with Ind AS, we make certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, 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. We 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:

- i Financial instruments;
- ii Provisions;
- iii Contingencies.

1.06 Cash and Cash Equivalents

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

1.07 Financial Instruments

- i. Financial Assets

a) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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

b) Measurement

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

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
- the Company has transferred substantially all the risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

d) 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.

ii. Financial liabilities

- Initial recognition and measurement

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

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

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

- Subsequent measurement

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

1.08 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized 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:

- i. 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;
- ii. a present obligation arising from the past events, when no reliable estimate is possible;
- iii. 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.

1.09 Revenue Recognition

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

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

1.10 Taxes on Income

- i. 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.

ii. 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.

1.11 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 preference dividends, if any, and 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 and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.12 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.13 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.

BEE NETWORK AND COMMUNICATION LIMITED
 (Formerly known as BEE Network and Communication Private Limited)
NOTES TO THE FINANCIAL STATEMENTS

(Rs. in lacs)

<u>2.01 Cash and Cash Equivalents</u>	As at	As at
	March 31, 2021	March 31, 2020
Balances with banks:		
In Current Accounts	124.09	-
Total	124.09	-

BEE NETWORK AND COMMUNICATION LIMITED
(Formerly known as BEE Network and Communication Private Limited)
NOTES TO THE FINANCIAL STATEMENTS

2.02 EQUITY SHARE CAPITAL:	(Rs. in lacs)	
	As at March 31, 2021	As at March 31, 2020
Authorised Capital		
13,50,000 (March 31, 2020: 100,000) shares of face value Rs 10 each	135.00	10.00
a) Issued, Subscribed and paid-up Capital		
13,40,919 (March 31, 2020: 99,989) Equity Shares of Rs. 10 each fully paid up	134.09	10.00
Total issued, subscribed and fully paid-up share capital	134.09	10.00

- (i) The company has only one class of equity shares having a par value of Rs. 10 per share. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (ii) None of the equity shares are reserved for issue under any option & contract/commitment for sale of shares / disinvestment.
- (iii) There are no securities issued which are convertible into equity/preference shares.
- (iv) The company has not issued shares for consideration other than cash, by way of bonus shares or by way of buy back for the preceding five years from the balance sheet date.

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

Particulars	As at		As at	
	March 31, 2021		March 31, 2020	
	Number of shares	Rs in lacs	Number of shares	Rs in lacs
Equity Shares of Rs. 10 each				
Shares Outstanding at the Beginning of the Year	99,989	10.00	99,989	10.00
Add: Right issued of shares during the year	1,240,930	124.09	-	-
Less: Shares bought back/Other Movement during the year	-	-	-	-
Shares outstanding as at end of the year	1,340,919	134.09	99,989	10.00

c) 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		As at	
	March 31, 2021		March 31, 2020	
	Number of shares	Rs in lacs	Number of shares	Rs in lacs
Its holding Company/ultimate holding company				
- Hathway Cable and Datacom Limited (Ultimate holding company)	-	-	99,989	-
- Hathway Digital Limited (Holding Company)	1,340,919	-	-	-
	1,340,919	134.09	99,989	10.00

d) Details of shareholder/s holding more than 5% shares is set out below:

Particulars	As at		As at	
	March 31, 2021		March 31, 2020	
	Number of shares	% of holding	Number of shares	% of holding
Equity Shares of Rs. 10 each				
- Hathway Cable and Datacom Limited	-	-	99,989	100%
- Hathway Digital Limited	1,340,919	100%	-	-

2.03 OTHER EQUITY:	(Rs. in lacs)	
	As at March 31, 2021	As at March 31, 2020
Securities Premium		
Opening Balance	29.99	29.99
Additions during the year	-	-
Closing balance	29.99	29.99
Surplus/Deficit in the statement of profit and loss		
Balance as per the last financial statements	(174.47)	(174.47)
Add: Net profit after tax transferred from Statement of Profit and Loss	12.18	-
Surplus (Deficit) - Closing Balance	(162.29)	(174.47)
	(132.30)	(144.48)

2.04 BORROWINGS:	Non-Current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Unsecured:				
- Hathway Cable and Datacom Limited	36.95	36.95	-	-
	36.95	36.95	-	-

2.05 OTHER FINANCIAL LIABILITIES:	Non-Current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Payable to Hathway Digital Limited	82.96	97.35	-	-
Liability for expenses	-	-	2.39	0.18
	82.96	97.35	2.39	0.18

BEE NETWORK AND COMMUNICATION LIMITED
(Formerly known as BEE Network and Communication Private Limited)

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in lacs)

3.01 OTHER INCOME:	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Other Non Operating Income	14.49	0.18
	14.49	0.18

(Rs. in lacs)

3.02 OTHER EXPENSES:	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Auditor's Remuneration		
Statutory Audit Fees	0.10	0.10
Legal and Professional fees		
ROC Filing	-	0.08
Rates & Taxes	2.21	-
	2.31	0.18

3.03 EARNING PER SHARE:	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Net Profit / (Loss) for the Year	12.18	-
Weighted Average Number of Shares used as denominator for calculating Basic EPS and diluted earning per share	130,587	99,989
Nominal value per ordinary Shares (Rs.)	10	10
Basic & Diluted Earning per Share (Rs.) - Attributable to Equity holder of the Company	9.32	-

BEE NETWORK AND COMMUNICATION LIMITED
(FORMERLY KNOWN AS BEE NETWORK AND COMMUNICATION PRIVATE LIMITED)
NOTES TO THE FINANCIAL STATEMENTS

4.01 Contingent Liabilities & Commitments to the Extent not Provided for:

(Rs. in lacs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
a) Claims against the Company not acknowledged, as debt	Nil	Nil
b) Contract remaining to be executed on capital account and not provided for	Nil	Nil

4.02 Related Party Disclosure:

Related party disclosure has been made wherever related party transactions happened during the period.

List of Related Parties:**Controlled By:**

- Hathway Cable and Datacom Limited

Holding Company

- Hathway Digital Limited

Transactions with Related Party:

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

(Rs. in lacs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Transactions with Related Party during the period:		
Income-Sundry Balance written back Hathway Digital Limited	14.39	-
Equity Share Allotment Hathway Digital Limited	124.09	-
Closing Balances:		
Unsecured Loan Hathway Cable and Datacom Limited	36.95	36.95
Other Financial Liabilities Hathway Digital Limited	85.17	97.35

4.03 Employee Benefits:

The Company does not have any employee. Accordingly, no disclosure in terms of Ind AS 19 on the "Employee Benefits" is required.

4.04 The Company does not have any leasing arrangements in terms of Accounting Standard on "Leases"(Ind AS-116)

4.05 Disclosure Under MSME Development Act 2006:

The Company has not received intimation from any 'enterprise' regarding its status under Micro, Small and Medium Enterprise Development Act, 2006 and therefore no disclosure under the said Act is considered necessary.

4.06 As the company's business activity falls within a single business segment in terms of Ind AS 108 on "Operating Segments" and the revenue substantially being from the domestic market, the financial statement are reflective of the information required by Ind AS 108.

4.07 Capital Management

During the year, the Company has got capital infusion through right issue of equity share capital. Further, The Board of Directors of the Company at its meeting held on April 3, 2021, has approved a Scheme of Merger of the Company into Hathway Digital Limited – its holding Company . Please refer note no. 4.10.

The details of outstanding capital and payables to holding company on account of loan is as under:

(Rs. in lacs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Equity	134.09	10.00
Loans Taken	36.95	36.95
Total	171.04	46.95

BEE NETWORK AND COMMUNICATION LIMITED
(FORMERLY KNOWN AS BEE NETWORK AND COMMUNICATION PRIVATE LIMITED)
NOTES TO THE FINANCIAL STATEMENTS

4.08 Financial Instruments : Accounting classifications, Fair value measurements, Financial Risk management.

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

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

The carrying amounts of trade payables, payables for acquisition of property, plant and equipment and others are considered to be the same as their fair values, due to their short-term nature.

(ii) Fair Value measurements

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

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

Level 2: inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: unobservable inputs from assets and liability

Particulars	As at		As at		Fair value hierarchy
	March 31, 2021		March 31, 2020		
	Carrying values	Fair value	Carrying values	Fair value	
Financial Liabilities					
Measured at amortised cost					
Borrowings	36.95	36.95	36.95	36.95	Level 3
Other financial liabilities	85.35	85.35	97.53	97.53	Level 3
Total	122.30	122.30	134.48	134.48	

(Rs. in lacs)

Description of significant unobservable inputs to valuation:

iii) Financial Risk Management

The Company's activities does not exposed to any financial risk except for liquidity risk

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

Liquidity risk

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

Financing arrangements

The Holding Company has committed to provide necessary financial support.

Maturities of financial liabilities

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

March 31, 2021				(Rs. in lacs)
Particulars	less than 1 year	1 to 5 year	Total	
<u>Non-Derivatives</u>				
Trade payables		-	-	
Long term borrowings		36.95	36.95	
Other financial liabilities	2.39	82.96	85.35	
Total	2.39	119.91	122.30	

March 31, 2020				(Rs. in lacs)
Particulars	less than 1 year	1 to 5 year	Total	
<u>Non-Derivatives</u>				
Trade payables		-	-	
Long term borrowings		36.95	36.95	
Other financial liabilities	0.18	97.35	97.53	
Total	0.18	134.30	134.48	

The outbreak of Coronavirus (COVID-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activity. **4.09** The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements.

- The Board of Directors of the Company at its meeting held on April 3, 2021, has approved a Scheme of Merger of the BEE Network and Communication Limited along with twenty one other fellow subsidiaries with and into Hathway Digital Limited – its holding Company. The
- 4.10** Appointed Date of the Scheme is April 1, 2021, however, it will take effect upon receipt of requisite approvals and fulfilment of conditions as stated in the Scheme of Merger. Pending the Scheme of Merger coming into force, no effect of the same have been considered in this financial results.
- 4.11** There is no expiry of deferred tax assets not recognised, so no expiry schedule is required.
- 4.12** Previous year figures have been rearranged and regrouped wherever necessary.

As per our report of even date

For MRB & Associates
Chartered Accountants
FRN:136306W

For and on behalf of the Board

Ghanshyam P Gupta

Partner
Membership No. 138741

Place : Mumbai
Date : 8th April, 2021

Narendra Kumar
Pedavalli

Director
DIN: 08021260

Place : Bangalore
Date : 8th April, 2021

Sangeet Kumar Nigam

Director
DIN: 07687835