

HATHWAY CBN MULTINET PRIVATE LIMITED
FINANCIAL STATEMENTS
2019 - 20

To the Members of **HATHWAY CBN MULTINET PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **HATHWAY CBN MULTINET PRIVATE LIMITED**, which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2020, its profit 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 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report for the year ending 31st March, 2020.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 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 financial statements 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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.

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

1. 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.
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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For JAIN CHINDALIA AND CO

Chartered Accountants

FRN: 513778C

Rupesh Kumar Jain

(Partner)

Membership No. :089728

Place:-Bhilai

Date:

Annexure ‘A’**The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements”.**

We report that:

- i. a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. The Company has no immovable property, thus this clause is not applicable to the company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees’ State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been irregular in depositing with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2020 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.

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- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of term loans during the year.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The company is a private limited company. Hence the provisions of clause (xi) of the order are not applicable to the company.
- xii. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. The company has not entered into non-cash transactions with directors or persons connected with him therefore the provisions of section 192 of Companies Act, 2013 is not applicable.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For JAIN CHINDALIA AND CO

Chartered Accountants

FRN: 513778C

Place:-Bhilai

Date:

089728

Rupesh Kumar Jain

(Partner)

Membership No.

Annexure ‘B’**Report on Internal Financial Controls with reference to financial statements**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **HATHWAY CBN MULTINET PRIVATE LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the 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 over financial reporting 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 issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting 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 issued by the Institute of Chartered Accountants of India.

For JAIN CHINDALIA AND CO

Chartered Accountants

FRN: 513778C

Rupesh Kumar Jain

(Partner)

Membership No. 089728

Place :-Bhilai

Date:

Balance Sheet as at March 31, 2020

(Rs in lakhs unless otherwise stated)				
Particulars	Notes	As at 31 Mar, 2020	As at 31 Mar, 2019	
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	1.01	254.44	154.68	
(b) Financial Assets		-	-	
Loans	1.02	84.27	34.07	
(c) Other Non-Current Assets	1.03	-	-	
Total Non-Current Assets		338.71	188.74	
Current Assets				
(a) Inventories	1.04	-	124.19	
(b) Financial Assets		-	-	
Trade Receivables	1.05	113.50	91.51	
Cash and Cash Equivalents	1.06	44.08	42.59	
(c) Current Tax Assets (Net)	1.07	62.71	61.46	
(d) Other Current Assets	1.08	13.97	7.87	
		234.26	327.62	
Assets classified as held for sale		-	-	
Total Current Assets		234.26	327.62	
Total Assets		572.97	516.36	
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	2.01	5.00	5.00	
(b) Non- Cumulative Redeemable Preference		-	-	
(c) Other Equity	2.02	124.00	21.08	
Total Equity		129.00	26.08	
Non-Current Liabilities				
(a) Financial Liabilities		-	-	
Borrowings	2.03	14.00	14.00	
(b) Provisions		-	-	
(c) Deferred Tax Liabilities (Net)	2.04	12.51	11.87	
(d) Other Non-Current Liabilities		-	-	
Total Non-Current Liabilities		26.51	25.87	
Current Liabilities				
(a) Financial Liabilities		-	-	
Trade Payables	2.05	254.58	310.88	
Other Financial Liabilities	2.06	5.92	3.32	
(b) Other Current Liabilities	2.07	156.97	150.22	
		-	-	
Total Current Liabilities		417.47	464.41	
		572.97	516.36	

Summary of Significant Accounting Policies

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

AS PER OUR REPORT OF EVEN DATE

For Jain Chindalia & Co.

Rupesh Kumar Jain
(Partner)

(M. No. 089728)

Place: Bhilai (C.G.)

Date

For & on behalf of the board of M/S Hathway CBN
Multinet Pvt.Ltd.

Abhishek Agrawal
DIN No.01752078
(Director)

Gurmeet Singh Bhatia
DIN 00945949
(Director)

Statement of Profit and Loss for the Year Ended March 31, 2020

(Rs in lakhs unless otherwise stated)

Particulars	Notes	For the year ended on 31/Mar/2020	For the year ended on 31/Mar/2019
INCOME			
Revenue from Operations	3.01	535.63	309.54
Other Income	3.02	50.64	137.29
		586.27	446.83
EXPENDITURE			
Conversion of Set Top Box Stock to Fixed Asset		(124.19)	
Purchase of Set top Box		-	124.19
Change in Inventory of Finish Goods	3.03	124.19	(124.19)
Operational Expenses	3.04	324.38	272.18
Employee Benefits Expense	3.05	51.36	64.13
Other Expenses	3.06	68.95	66.91
Depreciation and Amortization	3.07	34.45	22.43
Finance Cost	3.08	3.57	0.41
		482.71	426.06
Net Profit / (Loss) before Tax		103.56	20.78
Tax Expense:	3.09		
Current Tax		-	-
Deferred Tax		0.64	(0.51)
Net Profit / (Loss) for the Year from Continuing Operations (A)		102.92	21.29
Other Comprehensive Income		-	-
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income / (Loss) for the year, net of Tax (B)		-	-
Total Comprehensive Income / (Loss) for the year, net of Tax (A+B)		102.92	21.29
Earning Per Share(In Rs.)		205.85	42.57

AS PER OUR REPORT OF EVEN DATE

For Jain Chindalia & Co.
Chartered Accountants
Firm Reg.No. 513778C

For & on behalf of the board of M/S Hathway CBN Multinet Pvt.Ltd.

Rupesh Kumar Jain
(Partner)
(M. No. 089728)
Place: Bhilai (C.G.)
Date:

Abhishek Agrawal **Gurmeet Singh Bhatia**
DIN No.01752078 DIN No.00945949
(Director) (Director)

Cash Flow Statement for the year ended March 31, 2020

	(Rs in lakhs unless otherwise stated)	
	31st March 2020	31st March 2019
1 CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT / (LOSS) AFTER TAX & PRIOR PERIOD	102.92	21.29
A Adjustment for :		
1 <u>Non Cash Charges</u>		
Depreciation & Amortisation	34.45	22.43
Deferred Tax Liabilities	0.64	(0.51)
Operating Profit Before Working Capital	138.01	43.20
B Change in Working Capital		
(Increase) / Decrease in Trade Receivables	(21.99)	61.81
(Increase) / Decrease in Stock in Trade	124.19	(124.19)
(Increase) / Decrease in Current Loans & Advance	(7.36)	(9.71)
(Increase) / Decrease in Non Current Loans & Advance	(50.20)	122.98
(Increase) / Decrease in Other Current Assets	-	-
(Increase) / Decrease in Other Non-Current Assets	-	-
Increase / (Decrease) in Non Current Provisions	-	-
Increase / (Decrease) in Other Non- Current Liabilities	0.64	(0.51)
Increase / (Decrease) in Trade Payable	(56.30)	(92.02)
Increase / (Decrease) in Other Current Liabilities	9.35	(8.54)
Direct Tax Paid (Net of Refund)	(0.64)	0.51
Cash Generated from Operations	135.70	(6.47)
Net Cash from Operation Activities	135.70	(6.47)
2 CASH FLOW FROM INVESTING ACTIVITIES:		
Interest Income	-	-
Purchase of Fixed Assets	(134.21)	(8.47)
Capital Work in Progress	-	-
Purchase of Investment	-	-
Net cash Realised from Investing Activities	(134.21)	(8.47)
3 CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital (including premium)	-	-
Net Loan Funds borrowed \ (repaid)	-	-
Net cash Realised from Financing Activities	-	-
Net increase in Cash and Cash equivalent	1.50	(14.94)
Cash & Cash equivalents at the beginning of year	42.59	57.53
Cash & Cash equivalents at the end of year	44.08	42.59

The accompanying notes are an integral part of the financial statements

AS PER OUR REPORT OF EVEN DATE

For Jain Chindalia & Co.

Chartered Accountants

Firm Reg.No. 513778C

For & on behalf of the board of M/S Hathway CBN Multinet Pvt.Ltd.

Abhishek Agrawal
DIN 00005959078
(Director)

Gurmeet Singh Bhatia
DIN No.
(Director)

Rupesh Kumar Jain
(Partner)
(M. No. 089728)
Place: Bhilai (C.G.)
Date:

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

(Rs in lakhs unless otherwise stated)

2.02 Schedule of Other Equity

Particulars	March 31, 2020	March 31, 2019
Surplus (Loss) in the statement of profit and loss		
Opening Balance as per last financial statement	21.08	(0.21)
Add: Net profit after tax transferred from Statement of Profit and Loss	102.92	21.29
Closing Balance	<u>124.00</u>	<u>21.08</u>
Total Reserves & Surplus	124.00	21.08

AS PER OUR REPORT OF EVEN DATE
For Jain Chindalia & Co.
Chartered Accountants
Firm Reg.No. 513778C

For & on behalf of the board of M/S Hathway CBN
Multinet Pvt.Ltd.

Abhishek Agrawal
DIN No.01752078
(Director)

Gurmeet Singh Bhatia
DIN No.00945949
(Director)

Rupesh Kumar Jain
(Partner)
(M. No. 089728)
Place: Bhilai (C.G.)
Date :

Significant accounting policies and notes on accounts

(Rs in lakhs unless otherwise stated)

Schedule of Property, Plant & Equipment

1.01 : TANGIBLE ASSETS	Own Assets				Total
	Plant and Machinery	Furniture & Fixtures	Computers	Set Top Boxes	
Gross block					
Balance as at 1 April 2019	218.67	22.41	2.21	-	243.29
Additions	9.81	-	0.21	124.19	134.21
Disposals					-
Other adjustment					-
Balance as at 31MARCH 2020	228.48	22.41	2.41	124.19	377.50
Accumulated depreciation					
Balance as at 1 April 2019	77.55	9.53	1.53	-	88.61
Charge for the year	16.52	2.20	0.21	15.52	34.45
On disposals					-
Other adjustment					-
Balance as at 31MARCH 2020	94.06	11.73	1.74	15.52	123.06
Net Block					
As At 31st MARCH 2020	134.41	10.68	0.67	108.67	254.44
As At 31st March 2019	141.12	12.88	0.67	-	154.68

1.02 Non Current Loans

Particulars	March 31, 2020	March 31, 2019
Deposit (others)	84.27	34.07
	84.27	34.07

1.03 Other Non-Current Assets :

Particulars	March 31, 2020	March 31, 2019
Other Advances (unsecured, considered good)	-	-
	-	-

1.04 Inventories :

Particulars	March 31, 2020	March 31, 2019
Stock of Settop Boxes	-	124.19
	-	124.19

1.05 Trade Receivables:

Particulars	March 31, 2020	March 31, 2019
Secured, Considered Good		
Unsecured, Considered Good	177.72	154.60
Less: Provision for Doubtful Debts	(64.22)	(63.09)
	113.50	91.51

Movement in the Expected Credit Loss Allowance :

Particulars	As at March 31, 2020	As at March 31, 2019
Balance as per the last financial statement	63.09	129.79
Add: Additions during the year	14.96	-
Less: Reversal during the year	-	66.70
Less: / Set off against bad debts during the year	13.83	-
Closing Balance	64.22	63.09

Significant accounting policies and notes on accounts

(Rs in lakhs unless otherwise stated)

1.06 Cash and Cash Equivalents :

Particulars	March 31, 2020	March 31, 2019
Cash & Cash Equivalents		
Cash on hand	0.02	2.25
Balance in Current Accounts with Banks	44.06	40.34
	44.08	42.59

There are no restrictions of any kind on usage of the above bank balances.

1.07 Current Tax Assets (Net)

Particulars	March 31, 2020	March 31, 2019
TDS Receivable	62.71	61.46
	62.71	61.46

1.08 Other Current Assets :

Particulars	March 31, 2020	March 31, 2019
Other loans and Advances		
Other Advances (unsecured, considered good)	13.97	1.66
Input of GST	-	6.21

2.01 Share Capital:

(i)

Particulars	March 31, 2020	March 31, 2019
Authorised Equity Share Capital		
2,50,000 (2,50,000) equity shares of face value Rs 10 each	25.00	25.00
Issued, subscribed & fully paid up equity shares		
50,000 (50,000) equity shares of face value Rs 10 each	5.00	5.00
Total issued, subscribed and fully paid-up share capital	5.00	5.00

(ii) Equity Shares were allotted for consideration other than cash.

Particulars	March 31, 2020	March 31, 2019
Shares Issued for consideration other than cash	-	-

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

Name of the Share Holder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No	% of holding
Shri Ashok Kumar Agrawal	8,150	16.30%	8,150	16.30%
Smt. Premlata Agrawal	3,150	6.30%	3,150	6.30%
Shri Abhishek Agrawal	3,300	6.60%	3,300	6.60%
Shri Gurmeet Singh	3,300	6.60%	3,300	6.60%
Shri Krishna Kumar Nayak	3,300	6.60%	3,300	6.60%
Hathway Digital Limited	25,500	51.00%	25,500	51.00%
(Formerly Known as Hathway Digital Private Limited)	46,700		46,700	

Significant accounting policies and notes on accounts

(Rs in lakhs unless otherwise stated)

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the Beginning of the Year	50,000	5,00,000	50,000	5,00,000
Add: Shares issued	-	-	-	-
Less: Shares bought back	-	-	-	-
Shares at the end of the Year	50,000	5,00,000	50,000	5,00,000

2.03 Non Current Borrowings:

Particulars	March 31, 2020	March 31, 2019
Other parties	-	-
Secured	-	-
Unsecured	14.00	14.00
	14.00	14.00

2.04 Deferred Tax Liabilities (Net):

Particulars	March 31, 2020	March 31, 2019
Deferred Tax Assets		
Fixed assets	-	-
Deferred Tax Liabilities		
Fixed Assets - on depreciation-Opening	11.87	12.38
Add: Current year	0.64	(0.51)
	12.51	11.87
Net deferred tax Asset/(liability)	12.51	11.87

2.05 Trade Payables:

Particulars	March 31, 2020	March 31, 2019
Total Outstanding dues from Suppliers/Vendors other than Micro and Small Enterprises	254.58	310.88
	254.58	310.88

2.06 Other Financial Liabilities:

Particulars	March 31, 2020	March 31, 2019
Liability for Expense	5.92	3.32
	5.92	3.32

2.07 Other Liabilities:

Particulars	March 31, 2020	March 31, 2019
Statutory Payables	11.50	4.60
Other Payable	-	-
Advance from Customers	145.47	145.62
	156.97	150.22

Significant accounting policies and notes on accounts

(Rs in lakhs unless otherwise stated)

3.01 Revenue from Operations:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Subscription Income	410.19	183.47
Placement fees	125.44	126.07
Advertisement Income	-	-
	535.63	309.54

3.02 Other Income:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Other Non-operating income		
Interest on Income Tax Refund	0.42	-
Hiring Charges	12.61	70.58
Reversal of PFDD as per ECL	-	66.70
Lease Line Charges	37.61	-
Conversion of Stock in Fixed Asset		
	50.64	137.29

3.03 Changes in Inventories of Finished Goods

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Changes in Inventories of Finished Goods	124.19	(124.19)
	124.19	(124.19)

3.04 Operating Expenses(Direct Expenses)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Pay Channel Cost	253.39	151.99
Feed Charges	-	39.03
Digital Feed Charges	62.62	67.16
Repair & Maintainnce	8.38	3.99
Pole Rent	-	10.01
	324.38	272.18

3.05 Employee Benefits Expenses:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Staff Compensation	49.75	62.29
Staff Welfare expenses	1.61	1.85
	51.36	64.13

Significant accounting policies and notes on accounts

(Rs in lakhs unless otherwise stated)

3.06 Other Expenses:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Vehicle Maintenance Expenses	3.10	3.41
Office Expenses	1.71	3.97
Postage Exp.	0.14	0.05
Printing & Stationary	0.62	0.52
Travelling Expenses	1.92	0.38
Vehicle Running Exp.	0.61	0.44
Duties & Taxes	8.46	10.80
Freight Charges	-	0.01
Legal & Professional Charges	6.22	0.63
Consultancy Charges	4.80	4.40
Studio Expenses	-	0.09
Telephone Exp.	0.32	0.60
Electricity Exp.	3.16	3.83
Technical Know How	-	14.38
Sundry Balance Write off	10.78	10.74
Rent Office	12.15	12.66
Provision for Doubtful Debts	14.96	-
	68.95	66.91

Note: During the year management has decided to write-off debtors amounted to Rs.10.78 Lakh

3.07 Depreciation

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation	34.45	22.43
	34.45	22.43

3.08 Finance Charges

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Bank Charges	3.57	0.41
	3.57	0.41

3.09 Tax Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	-	-
Deferred tax	0.64	(0.51)
	0.64	(0.51)

Significant accounting policies and notes on accounts

(Rs in lakhs unless otherwise stated)

4.1 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure to ensure that it is able to continue as a going concern while maximising the return to the stakeholders. The Company has not taken any loans and accordingly has no externally imposed capital

4.2 Financial Instruments : Accounting classifications, Fair value measurements, Financial Risk management and offsetting of financial assets and liabilities

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

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

The carrying amounts of trade receivables, cash and cash equivalents, short term deposits, trade payables, payables for acquisition of property, plant and equipment, short term loans from banks, financial institutions and others are deemed to

(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	March 31, 2020		March 31, 2019		Fair value hierarchy
	Carrying values	Fair value	Carrying values	Fair value	
Financial assets					
Measured at amortised cost					
Trade receivables	113.50	113.50	91.51	91.51	Level 3
Loans and Advances					
Cash and cash equivalents	44.08	44.08	42.59	42.59	Level 3
Bank Balances					
Financial liabilities					
Trade payables	254.58	254.58	310.88	310.88	Level 3

(iii) Financial Risk Management

The Company's activities expose it to market risk, liquidity and credit risk. In order to minimise any adverse effect on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contract and foreign currency option contracts are entered to hedge foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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

Significant accounting policies and notes on accounts

(Rs in lakhs unless otherwise stated)

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. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

	As at 31-03-2020	As at 31-03-2019
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	177.72	154.60

■ Balances with banks is subject to low credit risks due to good credit ratings assigned to these t

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.

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.

	Less than 1 Year	01 to 05 Year	Total
As at MARCH 31, 2020			
Non-Derivatives			
Trade payables	72.04	182.54	254.58
Other financial liabilities			
	72.04	182.54	254.58
As at March 31, 2019			
Non-Derivatives			
Trade payables	153.44	157.44	310.88
Other financial liabilities			
	153.44	157.44	310.88

Significant accounting policies and notes on accounts

5.1 Figures for the Previous Year have been recast, regrouped and reclassified whenever necessary, to conform with current years classification.

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

Particulars	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged, as debt	-	5.11

5.3 Value of Import on CIF Basis, Earnings and Expenditure in Foreign Currency

Particulars	As at March 31, 2020	As at March 31, 2019
a) Value of Imports calculated on CIF basis	Nil	Nil
b) Expenditure in foreign currency on accrual basis	Nil	Nil
c) Earnings in foreign currency on accrual basis	Nil	Nil

5.4 Related Party Disclosure:

List of Related Parties:

M. Suresh	Director
Vital Links	Proprietorship firm of Director

Entities Controlling the Company or under the control of the Company including Subsidiaries

Hathway Digital Private Limited	Holding Company
Hathway Cable & Datacom Ltd., Mumbai	Ultimate Holding Company
Hathway Bhaskar CCN Multinet Pvt. Ltd. Raipur	Enterprise over which key management personnel exercise significant influence.
Hathway Baskar CCN Entertainment India Pvt. Bilaspur	Enterprise over which key management personnel exercise significant influence.
Hathway Baskar CCN Multi Entertainment Pvt. Korba	Enterprise over which key management personnel exercise significant influence.

Transactions with Related Party:

Particulars	As at March 31, 2020	As at March 31, 2019
Income:		
Placement Income - Hathway Digital Private Limited	1.29	43.63
Lease Line Charges - Hathway CCN Multinet Pvt Ltd	24.79	-
Lease Line Charges - Hathway CCN Entertainment (india) Pvt Ltd	12.83	-
	38.91	43.63
Expenses:		
Director salary - M Suresh	-	-
Pay Channel Cost - Hathway Digital Private Limited	-	39.03
Technical Know How - Hathway Digital Private Limited	-	14.38
Bank Charges - Hathway Digital Private Limited	-	0.08
Lease Line Charges Hathway CCN Entertainment (india) Pvt Ltd	9.75	-
Reimbursement of Royalty -Hathway CCN Entertainment(india) Pvt. Ltd	1.71	-
	11.46	53.50

Significant accounting policies and notes on accounts

(Rs in lakhs unless otherwise stated)

Purchase of STBs:

Purchase of STBs - Hathway Digital Private Limited	-	124.19
	-	124.19

Other Transactions:

Control Room Equipments Purchased - Vita Link	-	-
Entities Controlling the Company or under the control of the company including Subsidiaries	-	-
	-	-

Particulars	As at March 31, 2020	As at March 31, 2019
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Closing Balances:

Net balance in Credit-

Trade Payable

Hathway Bhaskar CCN Multinet Pvt Ltd, Raipur.-Consultancy	50.00	50.00
Hathway Bhaskar CCN Multinet Pvt. Ltd, Raipur-Digital feed Charges	88.65	105.41
Hathway Digital Private Limited	35.41	35.41

Trade Receivable

Hathway Digital Private Limited	-	-
Hathway CCN Entertainment (India) Private Limited	37.88	36.40
Hathway Digital Private Limited	1.40	-

Loan and Advances (Asset)

Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd, Korba	-	-
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Deposit

Hathway Digital Private Limited	78.98	28.98
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Details of Debits \ Credits in the nature of reimbursement are not included in the above statement.

5.5 In case where payee receipt, acknowledgements, supporting, evidence are not available the amount have been assumed to be spent for the purpose of the business of the company as recorded in the books of account.

5.6 Balances & accounts of certain Sundry Debtors, Sundry Creditors & Loans & Advances are subject to confirmation, reconciliation and adjustments if any.

5.7 Cash in hand as on 31.03.2020 is not physically verified by us, however it is certified by the management.

5.8 Segment information

As the Company's business activity falls within a single primary business segment viz. 'Cable Operators' (MSO) the disclosure requirements of Accounting Standard (AS – 17) "Segmental Reporting", issued by the Institute of Chartered Accountants of India are not applicable.

5.9 Conversion of Stock in Fixed Asset

During the current financial year management has decided to convert STB STOCK in tread into fixed asset amounted to Rs. 124.19 Lakh on cost.

6.1 BASIS OF PREPARATION :

- (i) **Compliance with Ind AS** The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules thereunder.
- (ii) **Historical cost convention** The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities are measured at fair value

6.2 PROPERTY PLANT & EQUIPMENT :

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

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

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

Stores & Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

6.3 DEPRICIATION ON PROPERTY PLANT & EQUIPMENT :

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.

Depreciation on stores and spares specific to an item of property, plant and equipment is based on life of the related property, plant and equipment.

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.

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

6.4 INTANGIBLE ASSETS :

Company does not have any Intangible assets.

6.5 CURRENT VERSUS NON CURRENT CLASSIFICATION :

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

- a) Expected to be realised or intended to sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle.

Based on the nature of operations, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

6.6 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS :

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

- a) Financial instruments;
- b) Useful lives of property, plant and equipment and intangible assets;
- c) Measurement of recoverable amounts of cash-generating units;
- d) Provisions;
- e) Expected customer relationship period (i.e. expected life of the customer);
- f) Evaluation of recoverability of deferred tax assets; and
- g) Contingencies.

6.7 FOREIGN CURRENCY TRANSACTION :

- (i) During the year Company does not have entered into any foreign currency transaction.
- (ii) Functional and presentation currencyThe Company's Company financial statements are prepared in INR, which is also the Company's functional and presentation currency.

6.8 TAXES ON INCOME:

- a. Current Income Tax Payable is determined as per provisions of Income Tax Act and on the basis of income of the year.
- b. In accordance with Indian Accounting Standard 12 – Income Taxes”, issued by the Institute of Chartered Accountants of India, amount of the deferred tax for timing differences between the book and tax profit for the year is to accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.

6.9 REVENUE RECOGNITION :

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

(i) Income from Rendering of services

Subscription income includes subscription from Subscribers / Cable Operators relating to cable TV, activation of devices and income from Hathway Cable and Datacom Limited /broadcasters relating to the placement of channels. Revenue from Operations is recognized on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties.

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

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

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

6.10 EMPLOYEE BENEFITS :

As per the information and explanation of the management, the company has no defined contribution plan, defined benefit plan and termination benefit in respect of gratuity/leave encashment payable to the employees at future date, as required under “IND AS-19 - Employee Benefits” and as such no disclosure has been given. The provision for all known liabilities and payables are adequate and not in excess of amount reasonably necessary.

As per the information and explanation of the management, the company has no defined contribution plan, defined benefit plan and termination benefit in respect of gratuity/leave encashment payable to the employees at future date, as required under “IND AS-19 - Employee Benefits” and as such no disclosure has been given. The provision for all known liabilities and payables are adequate and not in excess of amount reasonably necessary.

**For & on behalf of the board of M/S Hathway CBN Multinet Pvt.Ltd.
AS PER OUR REPORT OF EVEN DATE**

For Jain Chindalia & Co.

Chartered Accountants

Firm Reg.No. 513778C

**Abhishek Agrawal
DIN - 01752078
(DIRECTOR)**

**Gurmeet Singh Bhatia
DIN - 00945949
(DIRECTOR)**

Rupesh Kumar Jain

**(Partner)
(M. No. 089728)**

Place: Bhilai (C.G.)

Date: