

**Hathway Digital Limited**

**Financial Statements**

**2021-22**

## **Independent Auditor's Report**

**To the Members of Hathway Digital Limited (Formerly known as Hathway Digital Private Limited)**

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

#### **Opinion**

We have audited the accompanying standalone financial statements of **Hathway Digital Limited (Formerly known as Hathway Digital Private Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

We draw attention to note no. 4.16 relating to the Scheme of Merger ("Scheme") approved by the Regional Director, Western Region pursuant to Order dated December 3, 2021. Consequently, the figures for the year ended March 31, 2021 included in the standalone financial statements for the year ended March 31, 2022 have been restated to give effect to the Scheme. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Materiality is the magnitude of the misstatement in the standalone financial statements that,

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (i) 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;
  - (ii) 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;
  - (iii) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
  - (iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

- (v) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;
- (vi) 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”;
- (vii) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (viii) 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:
  - a) The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its standalone financial statements - Refer Note 4.02(h) to the standalone financial statements;
  - b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 4.02(g) to the standalone financial statements; and
  - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - d) (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest

in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (iii) Based on the audit procedures performed by us that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement;
- e) The Company has neither declared nor paid any dividend during the year.

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

**Atul Shah**  
Partner  
Membership No. 039569  
UDIN: 22039569AIFEJY1285

Place: Mumbai  
Date: April 11, 2022

## Annexure A to the Independent Auditor's Report

**Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022 :**

- (i) (a) (A)The Company has maintained proper records of Property, Plant and Equipment showing particulars of assets including quantitative details and situation except in case of certain types of distribution equipments like cabling, line equipments, access devices with end users. In view of the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;
- (B)The Company has maintained proper records showing full particulars of Intangible Assets;
- (b) Distribution equipments like cabling and other line equipments of selected networks were verified. The management plans to verify balance networks in a phased manner. Property, Plant and Equipment, other than distribution equipments and access devices with the end users were physically verified during the year based on verification programme adopted by the management. As per this programme, all assets will be verified at least once in a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. The management has represented that physical verification of access devices with the end users is impractical; however, the same can be tracked, in case of most of the networks, through subscribers management system;
- The Company has a process of reconciling book records with outcome of physical verification, wherever physical verification was carried out and have accounted for the discrepancies observed on such verification;
- In our opinion, frequency and procedure for verification of distribution equipments and subsequent reconciliation with book records need to be strengthened;
- (c) The Company does not hold any immovable property and the properties where the company is lessee, the agreements are duly executed in favour of the lessee. Accordingly, reporting under paragraph 3(i)(c) of the Order is not applicable to the Company;
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and Intangible assets during the year;
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami



Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

- (ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the coverage and procedure of verification is appropriate and the frequency of verification is reasonable. There were no discrepancies of 10% or more in aggregate for each class of inventory noticed on physical verification as compared to the book of accounts;
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under paragraph 3(ii)(b) of the Order is not applicable;
- (iii) (a) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under paragraph 3(iii)(a), (b), (c) and (d) of the Order are not applicable to the Company;
- (b) Since loans granted by the Company are repayable on demand, neither loan nor advance in the nature of loan has fallen due during the year. Accordingly, reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company;
- (c) As stated above, during the year, no loans or advances in the nature of loan or security were given or guarantees were provided. Accordingly, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company;
- (iv) The Company has not made investments, granted loans, guarantees and made securities, during the year under audit, which require compliance in terms of the provisions contained in the section 185 or section 186 of the Act. Accordingly, reporting under paragraph 3(iv) of the Order is not applicable to the Company;
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under paragraph 3(v) of the Order is not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;
- (vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the services rendered by the Company. We have broadly reviewed the books of account maintained and in our opinion; prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete;

- (vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable;
- (b) The details of statutory dues referred to in sub – clause (a) above which have not been deposited as on March 31, 2022 on account of dispute are given below:

(₹ in crores)

Sr. No.	Name of the Statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
1	Bombay Entertainments Duty Act, 1923	Entertainment Tax & penalty thereon, Thane	0.89	June, 2006 to May, 2007	Entertainment Tax Department, Thane
2	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	0.58	May, 2005 to June, 2006	Andhra Pradesh High Court
3	U.P Entertainment Tax & Betting Act, 1979 and U.P. Entertainment Tax & Betting Rules, 1981	Entertainment Tax	0.12	NA	District Magistrate, Agra
			1.05	April, 2014 to September, 2014	
			0.13	October, 2014 to November, 2014	
			0.67	December, 2014 to June, 2015	
4	U.P. Entertainment & Betting Act, 1979	Entertainment Tax	1.41	April, 2013 to January, 2014	District Magistrate, Ghaziabad
5	Madhya Pradesh Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhinyam, 2011	Entertainment Tax	0.81 <sup>1</sup>	July 01, 2011 to March 17, 2012	Settlement Authority

<sup>1</sup> Amount demanded is fully paid

Sr. No.	Name of the Statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
6	Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	18.05 <sup>2</sup>	July, 2011 to May, 2013	Sales Tax Appellate Tribunal, Andhra Pradesh
7	Maharashtra Entertainments Duty Act, 1923	Entertainment Tax	4.57	Up to October, 2014	Writ Petition to Bombay High Court
8	Karnataka Value Added Tax Act, 2003	Value Added Tax	10.28	2011-12 to 2013-14	Writ Petition to Karnataka High Court
9	Bombay Sales Tax Act, 1959	Sales Tax	0.007	1999-2000	High Court, Mumbai
10	Madhya Pradesh Value Added Tax Act, 2002	Sales Tax/VAT	0.88 <sup>3</sup>	2013-14	Deputy Commissioner, Commercial tax
11	Maharashtra Entertainments Duty Act, 1923	Entertainment tax	0.14	2013-14	High Court, Mumbai
12	Telangana VAT Act, 2005	Value Added Tax	0.05 <sup>4</sup>	April, 2005 to November, 2008	Additional Deputy Commissioner (Appeals), Secunderabad
13	Karnataka Value Added Tax Act, 2003	Value Added Tax	1.73	2010-11	Writ Petition to Karnataka High Court
14	Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	0.43 <sup>5</sup>	2015-16	Deputy Commissioner, Commercial tax
15	Delhi Value Added Tax, 2004	Value Added Tax	0.12	2013-14	Department of Trade & Taxes, Delhi
16	U.P. Entertainment & Betting Act, 1979	Entertainment Tax	1.68	April, 2013 to March, 2015	Assistant Commissioner, Entertainment Tax
17	The West Bengal Entertainment cum Amusement Tax, 1982	Entertainment Tax	0.22	2014-15	Assistant Commissioner, Agricultural Income tax

<sup>2</sup> ₹9.03 is paid as pre-deposit

<sup>3</sup> Amount deposited ₹0.22

<sup>4</sup> Amount demanded is fully paid

<sup>5</sup> Amount deposited to ₹0.11

Sr. No.	Name of the Statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
18	The West Bengal Entertainment cum Amusement, Tax 1982	Entertainment Tax	0.26	2013-14	Assistant Commissioner, Agricultural Income tax
19	Karnataka Value Added Tax Act, 2003	Value Added Tax	7.42	April 2015-March 2016	Karnataka High Court
20	Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	0.02 <sup>6</sup>	April 2014-March 2015	Deputy Commissioner Commercial tax
21	Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	0.28 <sup>7</sup>	April 2016-March 2017	Deputy Commissioner Commercial tax
22	The Custom Act 1962	Custom duty	5.63 <sup>8</sup>	April 2019-2020	Commissioner of Custom (Imports)
23	Employee state insurance corporation	ESIC	0.27 <sup>9</sup>	Nov 15 to Dec 16 and Nov 17 to Aug 20	The Regional Director
24	The Delhi Value added tax 2004	Value Added Tax	1.33	April 2016-March 2017	Department of Trade and Taxes
25	Income tax Act, 1962	Income Tax	3.16	2002-03& 2003-04	Bombay High Court
26	The Central Goods and Services Tax Act, Tripura	GST	0.02 <sup>10</sup>	2021-22	Superintendent of Sales Tax, Tripura
27	The Central Goods and Services Tax Act, Madhya Pradesh	GST	0.01	2020-21	Assistant Commissioner of Sales Tax, Audit Cell
28	The Central Goods and Services Tax Act, Odisha	GST	0.10 <sup>11</sup>	2017-18	Deputy Commissioner of Commercial Tax and GST
29	Karnataka Value Added Tax Act, 2003	Value Added Tax	6.02	April 16-March 17	Deputy Commissioner of Commercial Tax

<sup>6</sup> Amount paid ₹0.004

<sup>7</sup> Amount paid ₹0.03

<sup>8</sup> Amount paid ₹0.38

<sup>9</sup> Amount paid ₹0.6

<sup>10</sup> Amount is fully paid

<sup>11</sup> Amount paid ₹0.004 as pre deposit

Sr. No.	Name of the Statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
30	Bombay Entertainments Duty Act, 1923	Entertainment Tax	0.12	May 2006-December 2006	Deputy Collector Mumbai
31	Madhya Pradesh Entertainments Duty and Advertisements Tax Act, 1936	Entertainment Tax	0.02	2016-17	Deputy Commissioner Commercial Tax, Indore (MP)
32	Madhya Pradesh Entertainments Duty and Advertisements Tax Act, 1936	Entertainment Tax	0.11 <sup>12</sup>	2010-11	Deputy Commissioner (Commissioner Tax Appeal Gwalior)
33	Income tax Act, 1962	Income Tax	13.52	2017-18	Commissioner of Income Tax (Appeals)
34	Income tax Act, 1962	Income Tax	1.00	2018-19	Commissioner of Income Tax (Appeals)
35	Income tax Act, 1962	Income Tax	0.01	2010-11	National Faceless Assessment Centre, Delhi
36	Finance Act, 1994	Service Tax	0.64	2011-12	Joint Commissioner CGST and CEX, Mumbai Central
37	Income tax Act, 1962	Income Tax	0.04	2007-08	Commissioner of Income Tax (Appeals)
38	The Central Goods and Services Tax Act, Utter Pradesh	GST	0.01	2017-18	Deputy Commissioner of Commercial Tax and GST

- (viii) There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company;

<sup>12</sup> Amount paid ₹0.03

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or any other lender;
- (c) The Company has not taken any terms loans and therefore paragraph 3(ix)(c) of the Order is not applicable to the Company;
- (d) The Company has not raised any funds on short-term basis. Accordingly, the reporting under paragraph 3(ix) (d) of the Order is not applicable to the Company;
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix) (e) of the Order is not applicable to the Company;
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under paragraph 3(ix) (f) of the Order is not applicable to the Company;
- (x) (a) The Company has not raised any moneys by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year;
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the current financial year. Accordingly, the reporting under paragraph 3(x) (b) of the Order is not applicable to the Company;
- (xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year;
- (b) To the best of our knowledge, no report under section 143(12) of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
- (c) As represented to us by the Management, no whistle blower complaints were received by the Company during the year (and upto the date of this report);
- (xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company;
- (xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;

- (b) We have considered the internal audit reports of the company issued till date, for the period under audit, in determining the nature, timing and extent of our audit procedures;
- (xv) According to information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company;
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a), (b) and (c) of the Order is not applicable;
- (b) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable;
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable;
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due; and

- (xx) Based on the audit procedures performed by us, the provisions of sub-section (5) and (6) of section 135 of Act are not applicable to the Company. Accordingly, the reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.

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

Chartered Accountants

Firm Registration No. 104767W

**Atul Shah**

Partner

Membership No. 039569

UDIN: 22039569AIFEJY1285

Place: Mumbai

Dated: April 11, 2022



**Annexure B to the Independent Auditor's Report**

**Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022**

**Opinion**

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

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

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

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk

that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

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

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

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

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

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

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

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

Chartered Accountants

Firm Registration No. 104767W

**Atul Shah**

Partner

Place: Mumbai

Membership No. 039569

Dated: April 11, 2022

UDIN: 22039569AIFEJY1285

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

CINU92130MH2007PLC290016

### Standalone Balance Sheet As At March 31, 2022

(₹ in Crores unless otherwise stated)

	Notes	As at	As at
		March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2.01 (a)	554.26	588.99
Capital Work In Progress	2.01 (b)	16.74	53.67
Goodwill		7.06	7.81
Other Intangible Assets	2.02	56.59	56.57
<b>Financial Assets</b>			
Investments	2.03	201.42	13.70
Loans	2.04	-	-
Other financial assets	2.05	12.10	7.25
Deferred Tax Assets (Net)	2.06	262.49	265.31
Other Non-current assets	2.07	57.62	46.37
<b>Total Non-current assets</b>		<b>1,168.28</b>	<b>1,039.67</b>
<b>Current Assets</b>			
Inventories	2.08	0.31	0.36
<b>Financial Assets</b>			
Investments	2.09	587.21	724.40
Trade Receivables	2.10	54.64	17.51
Cash and Cash Equivalents	2.11	7.94	49.00
Bank balances other than cash and cash equivalents	2.12	0.13	5.50
Loans	2.04	-	0.05
Other financial assets	2.05	30.78	24.35
Current Tax Assets (Net)	2.13	-	1.64
Other current assets	2.07	62.66	59.19
<b>Total Current assets</b>		<b>743.67</b>	<b>882.00</b>
<b>Total Assets</b>		<b>1,911.95</b>	<b>1,921.67</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	2.14	355.73	355.73
Investments entirely equity in nature		1,800.00	1,800.00
Other Equity	2.15	(540.31)	(560.06)
<b>Total Equity</b>		<b>1,615.42</b>	<b>1,595.67</b>
<b>Non-current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	2.16	0.05	28.04
Other financial liabilities	2.17	0.35	1.02
Provisions	2.18	1.72	1.71
Other Non-current liabilities	2.19	3.17	8.30
<b>Total Non-Current Liabilities</b>		<b>5.29</b>	<b>39.07</b>

**Hathway Digital Limited**

(Formerly known as Hathway Digital Private Limited)

**CINU92130MH2007PLC290016****Standalone Balance Sheet As At March 31, 2022**

(₹ in Crores unless otherwise stated)

	Notes	As at	As at
		March 31, 2022	March 31, 2021
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	2.16	-	1.51
Trade Payables	2.20		
Total outstanding dues of :			
-Micro and small enterprises		0.01	0.05
-Others		205.13	165.11
Other financial liabilities	2.17		
Total outstanding dues of :			
-Micro and small enterprises		1.82	5.89
-Others		31.47	39.92
Provisions	2.18	0.20	0.13
Other current liabilities	2.19	52.61	74.32
<b>Total current liabilities</b>		<b>291.24</b>	<b>286.93</b>
<b>Total Equity and Liabilities</b>		<b>1,911.95</b>	<b>1,921.67</b>
<b>Significant Accounting Policies</b>	<b>1</b>		

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

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**For and on behalf of the Board****Mr. Atul Shah**

Partner

Membership No : 039569

Place : Mumbai

Dated : April 11, 2022

**Mr. Dulal Banerjee**Non-Executive Director & Chief  
Executive Officer

DIN : 02455932

**Mr. Ajay Singh**Non-Executive  
Director

DIN : 06899567

**Ms. Pranjali Gawde**

Chief Financial Officer

**Ms. Ameeta Parpia**

Independent Director

DIN:02654277

**Mr. Varun Laul**

Non-Executive Director

DIN : 03489931

**Ms. Niki Shah**

Company Secretary and Compliance officer

Membership No: A35879

Dated : April 11, 2022

**Mr. Kunal Chandra**

Independent Director

DIN : 07617184

**Hathway Digital Limited**

(Formerly known as Hathway Digital Private Limited)

CINU92130MH2007PLC290016

**Standalone Statement Of Profit And Loss For The Year Ended March 31, 2022**

(` in Crores unless otherwise stated)

	Notes	Year Ended	Year Ended
		March 31, 2022	March 31, 2021
<b>INCOME</b>			
Revenue from Operations	3.01	1,159.41	1,098.63
Other Income	3.02	43.41	31.98
		<b>1,202.82</b>	<b>1,130.61</b>
<b>EXPENDITURE</b>			
Pay Channel Cost		639.86	548.99
Other Operational Expenses	3.03	162.28	133.54
Employee Benefits Expense	3.04	44.45	38.94
Finance Cost	3.05	-	17.77
Depreciation, Amortization and Impairment	3.06	187.15	200.03
Other Expenses	3.07	115.91	118.41
		<b>1,149.65</b>	<b>1,057.68</b>
<b>Profit / (Loss) before Exceptional Items &amp; Tax Expenses</b>		<b>53.17</b>	<b>72.93</b>
Exceptional Items	3.08	28.54	4.59
<b>Profit / (Loss) before Tax</b>		<b>24.63</b>	<b>68.34</b>
Tax Expense:			
Current Tax		-	0.90
Short / excess of current tax for earlier years (net)		0.01	-
Deferred Tax	2.06	2.99	(8.38)
<b>Profit / (Loss) for the Year (A)</b>		<b>21.63</b>	<b>75.82</b>
<b>Other Comprehensive Income / (Loss) (Net of Taxes)</b>			
<b>(A) Items that will not be reclassified to profit or loss</b>			
(i) Re-measurements of post employment benefit obligations		0.02	0.17
(ii) Income tax effect on above		(0.00)*	-
		<b>0.02</b>	<b>0.17</b>
<b>(B) Items that will be reclassified to profit or loss</b>			
(i) On Debt funds		(2.09)	-
(ii) Income tax effect on above		0.18	-
		<b>(1.91)</b>	<b>-</b>
<b>Other Comprehensive Income / (Loss) for the year (B)</b>		<b>(1.89)</b>	<b>0.17</b>
<b>Total Comprehensive Income / (Loss) for the year (A+B)</b>		<b>19.74</b>	<b>75.99</b>
<b>Earnings/ (Loss) per equity share (Face Value of ₹ 10 each) (Refer Note no 4.01)</b>			
Basic (in ₹)		0.61	2.13
Diluted (in ₹)		0.10	0.52
<b>Significant accounting policies</b>	<b>1</b>		
Refer accompanying notes. These notes are integral part of the financial statements.			

\* Amount Less than ₹ 50,000/-

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**For and on behalf of the Board****Mr. Atul Shah**

Partner

**Mr. Dulal Banerjee**Non-Executive Director & Chief  
Executive Officer**Mr. Ajay Singh**

Non-Executive Director

Membership No : 039569

Place : Mumbai

Dated : April 11, 2022

DIN : 02455932

DIN : 06899567

## **Hathway Digital Limited**

(Formerly known as Hathway Digital Private Limited)

**CINU92130MH2007PLC290016**

**Ms. Pranjali Gawde**  
Chief Financial Officer

**Ms. Ameeta Parpia**  
Independent Director  
DIN:02654277

**Mr. Varun Lau**  
Non-Executive Director  
DIN : 03489931

**Ms. Niki Shah**  
Company Secretary and Compliance officer  
Membership No: A35879

**Mr. Kunal Chandra**  
Independent Director  
DIN : 07617184

Dated : April 11, 2022

**Hathway Digital Limited**

(Formerly known as Hathway Digital Private Limited)

CINU92130MH2007PLC290016

**Standalone Statement Of Changes In Equity For The Year Ended March 31, 2022**

(₹ in Crores unless otherwise stated)

**A Equity Share Capital**

Particulars	Note No	Amount
<b>Balance at April 01, 2020</b>	2.14	<b>355.73</b>
Changes in Equity Share Capital		-
<b>Balance at March 31, 2021</b>	2.14	<b>355.73</b>
Changes in Equity Share Capital		-
<b>Balance at March 31, 2022</b>	2.14	<b>355.73</b>

**B Other Equity:**

Particulars	Instruments entirely Equity in nature		Reserves and Surplus				Debt Instruments through Other Comprehensive Income	Total
	Zero Coupon Unsecured Optionally fully Convertible Debentures*	0.01 % Non-Cumulative Optionally Convertible Preference Shares**	Securities Premium	Retained Earnings	Capital Reserve	General Reserve		
<b>Balance at April 01, 2020 (As reported earlier)</b>	-	-	94.23	(597.18)	0.02	3.15	-	<b>(499.78)</b>
Reserve of twenty two merged subsidiaries (Refer Note 4.16)	-	-	-	(184.60)	0.10	-	-	(184.50)
Capital Reserve on amalgamation	-	-	-	-	48.23	-	-	48.23
<b>Restated balance at the beginning of the reporting period</b>	-	-	<b>94.23</b>	<b>(781.78)</b>	<b>48.35</b>	<b>3.15</b>	-	<b>(636.05)</b>
Profit for the year	-	-	-	75.82	-	-	-	75.82
Other Comprehensive Income for the year	-	-	-	0.17	-	-	-	0.17
Issued during the year	1,000.00	1,800.00	-	-	-	-	-	2,800.00
Redeemed during the year	(1,000.00)	-	-	-	-	-	-	(1,000.00)
<b>Balance at March 31, 2021</b>	-	<b>1,800.00</b>	<b>94.23</b>	<b>(705.79)</b>	<b>48.35</b>	<b>3.15</b>	-	<b>1,239.94</b>
Profit for the year	-	-	-	21.63	-	-	-	21.63
Other Comprehensive Income/(Loss) for the year	-	-	-	0.02	-	-	(1.91)	(1.89)
Equity Component of 5%, Non Cumulative redeemable Preference Shares	-	-	-	-	0.01	-	-	0.01
<b>Balance at March 31, 2022</b>	-	<b>1,800.00</b>	<b>94.23</b>	<b>(684.14)</b>	<b>48.36</b>	<b>3.15</b>	<b>(1.91)</b>	<b>1,259.69</b>

\* Issued and allotted 100 crore Zero Coupon Unsecured Optionally Fully Convertible Debentures ('OFCD') of Rs. 10/- each for cash, aggregating to Rs. 1,000 crore to Hathway Cable and Datacom Limited, the Holding Company and the same was redeemed during the financial year 2020-21.

\*\* Issued and Allotted 100 crore 0.01% Optionally Convertible Preference Shares ('OCPS') (Series-I) of Rs. 10/- each for cash, aggregating to Rs. 1000 crore and 80 crore 0.01% Optionally Convertible Preference Shares ('OCPS') (Series-II) of Rs. 10/- each for cash, aggregating to Rs. 800 crore to Hathway Cable and Datacom Limited, the Holding Company.

**Significant accounting policies (Refer Note 1)**

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

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**For and on behalf of the Board**

**Mr. Atul Shah**

Partner

Membership No : 039569

Place : Mumbai

Dated : April 11, 2022

**Mr. Dulal Banerjee**

Non-Executive Director &

Chief Executive Officer

DIN : 02455932

**Mr. Ajay Singh**

Non-Executive

Director

DIN : 06899567

**Hathway Digital Limited**

(Formerly known as Hathway Digital Private Limited)

**CINU92130MH2007PLC290016**

**Ms. Pranjali Gawde**  
Chief Financial Officer

**Ms. Ameeta Parpia**  
Independent Director  
DIN:02654277

**Mr. Varun Lau**  
Non-Executive Director  
DIN : 03489931

**Ms. Niki Shah**  
Company Secretary and Compliance officer  
Membership No: A35879

**Mr. Kunal Chandra**  
Independent Director  
DIN : 07617184

Dated : April 11, 2022



## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

CINU92130MH2007PLC290016

### Standalone Cash Flow Statement For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

Particulars	Year Ended	Year Ended
	March 31, 2022	March 31, 2021
<b>1 Cash flow from operating activities:</b>		
<b>Net profit / (loss) before tax</b>	<b>24.63</b>	<b>68.34</b>
<b>A Adjustment for :</b>		
Depreciation , Amortization and Impairment	187.15	200.03
Advances Written Off	0.07	0.23
Impairment of trade receivables, advances & exposure to certain entities including Joint ventures	0.71	8.68
Amount No Longer Payable Written Back	(1.46)	(1.00)
Reversal of provision for Doubtful Debts	-	(11.49)
Provision for leave encashment and gratuity	0.32	0.76
Unrealised foreign exchange gain & loss	(0.02)	(1.70)
Unwinding interest	-	(0.05)
Loss/(Gain) on disposal / shortage of assets	2.57	5.13
Finance Income (including fair value changes in financial instruments)	(41.22)	(12.25)
Income from Fixed Deposit and Loans given	-	(3.78)
Interest and finance charges	-	17.77
Exceptional item	28.54	-
	<b>201.29</b>	<b>270.67</b>
<b>B Change in operating assets and liabilities:</b>		
Decrease/(increase) in trade receivables	(31.39)	49.93
Decrease/(increase) in inventories	0.06	1.83
Decrease/(increase) in other loans/ Other financial assets	(8.27)	7.70
Decrease/(increase) in other current assets	(3.47)	2.36
Decrease/(increase) in other non-current assets	(14.56)	5.54
Increase / (Decrease) in Other Non- Current Liabilities	(5.28)	-
Increase/(decrease) in trade payables	41.45	(25.88)
Increase/(decrease) in current other liabilities	(21.79)	(65.96)
Increase/(decrease) in other financial liabilities	(2.96)	(42.02)
Increase / (Decrease) in provisions	-	0.24
<b>Cash generated from operations</b>	<b>155.08</b>	<b>204.41</b>
Less/(Add): Direct taxes paid (net of refunds)	-	12.03
<b>Net cash flow from operating activities (A)</b>	<b>155.08</b>	<b>216.44</b>
<b>2 Cash flow from investing activities:</b>		
Income from Fixed Deposit / Loans given	31.18	6.96
Payments for acquisition of property, plant and equipment	(148.92)	(235.03)
Proceeds from sale of Property, Plant and Equipment	0.77	1.07
Loans and advances repayment from related parties	-	1.20
Payments for purchase of Investments in subsidiary/Proceeds from Stake sale in Joint Ventures	2.36	(45.71)
Payments for purchase of Bond	(199.26)	-
Payments for purchase of current investments	(2,619.36)	(2,997.50)
Proceeds from sale of current investments	2,761.21	2,291.73
Invested in fixed deposits	-	(0.19)
Fixed deposit redeemed during the year	5.33	4.63
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(166.69)</b>	<b>(972.84)</b>

Particulars	Year Ended	Year Ended
	March 31, 2022	March 31, 2021
<b>3 Cash flow from financing activities</b>		
Interest and finance charges	-	(15.05)
Loan raised /(repaid) from Holding Company (Net)	(29.50)	-
Proceeds from Issue of 0.01 % Non-Cumulative Optionally Convertible Preference Shares	-	1,800.00
Proceeds from issue of Zero Coupon Optionally Fully Convertible Debentures	-	1,000.00
Redemption of Fully Zero Coupon Optionally Fully Convertible Debentures	-	(1,000.00)
Repayments of Non - current Borrowings	-	(1.61)
Current borrowings (Net)	-	(1,000.21)
Payment of Lease Liability	-	(1.69)
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>(29.50)</b>	<b>781.44</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(41.11)</b>	<b>25.04</b>
<b>Margin money deposit reclassified to Cash and cash Equivalent on repayment of underlying borrowing</b>		
<b>Cash and cash equivalents at the beginning of the year</b>	<b>49.07</b>	<b>22.58</b>
<b>Cash &amp; cash equivalents of twenty two merged subsidiaries at the beginning of the year</b>	<b>-</b>	<b>4.69</b>
<b>Bank overdrafts at the beginning of the year</b>	<b>(0.00)*</b>	<b>(3.24)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>7.96</b>	<b>49.07</b>
<b>Components of cash and cash equivalents</b>		
Balances with banks:		
In Current Accounts	7.58	47.77
Cash in hand / Cheque in hand	0.38	0.66
Fixed deposit with original Maturity upto 3 Month	-	0.64
Bank Overdrafts	-	(0.00)*
<b>Balance as per the cash flow statement</b>	<b>7.96</b>	<b>49.07</b>

\* Amount Less than ₹ 50,000/-

#### Notes to the cash flow statement

- The Cash Flow Statement has been prepared using the Indirect Method set out in Ind AS 7- Statement of Cash Flows.
- Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash in hand, demand deposits with banks and Bank overdrafts.
- Changes in liabilities arising from financing activities :

Particulars	March 31, 2021	Net Cash Flow	Non Cash Changes		March 31, 2022
			Foreign Exchange movement (Gain)/Loss /Others	Fair value changes	
Non - current Borrowings (including current maturities of Non-current borrowing)	28.04	(27.99)	-	-	0.05
Current borrowings	1.51	(1.51)	-	-	-
<b>Total liabilities from financing activities</b>	<b>29.55</b>	<b>(29.50)</b>	<b>-</b>	<b>-</b>	<b>0.05</b>

Particulars	March 31, 2020	Net Cash Flow	Non Cash Changes		March 31, 2021
			Foreign Exchange movement (Gain)/Loss /Others	Fair value changes	
Non - current Borrowings (including current maturities of Non-current borrowing)	28.04	-	-	-	28.04
Current borrowings	1.51	-	-	-	1.51
<b>Total liabilities from financing activities</b>	<b>29.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29.55</b>

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**For and on behalf of the Board of Directors**

**(Atul Shah)**

Partner

Membership No : 039569

Place : Mumbai

Date : April 11, 2022

**Mr. Dulal Banerjee**

Non-Executive Director &  
Chief Executive Officer

DIN : 02455932

**Mr. Ajay Singh**

Non-Executive Director

DIN : 06899567

**Ms. Pranjali Gawde**

Chief Financial Officer

**Ms. Ameeta Parpia**

Independent Director

DIN : 02654277

**Mr. Varun Laul**

Non-Executive Director

DIN : 03489931

**Ms. Niki Shah**

Company Secretary and Compliance officer

Membership No: A35879

**Mr. Kunal Chandra**

Independent Director

DIN No : 07617184

Dated : April 11, 2022

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

CINU92130MH2007PLC290016

Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

### BACKGROUND

Hathway Digital Limited (formerly known as Hathway Digital Private Limited) ("the Company") is a Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a wholly owned subsidiary of Hathway Cable and Datacom Limited (HCDL). The Company is India's leading Multi System Operator ("MSO") providing digital cable television services PAN India.

#### Authorization of standalone financial statements

The standalone financial statements were authorised for issue in accordance with a resolution of the board of directors on April 11, 2022

### 1.00 SIGNIFICANT ACCOUNTING POLICIES

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

#### 1.01 BASIS OF PREPARATION

##### (i) Compliance with Ind AS

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

##### (ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

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

#### 1.02 ROUNDING OF AMOUNTS

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

### 1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

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

An asset is classified as current if:

- (i) it is expected to be realised or intended to be sold or consumed in normal operating cycle;
- (ii) it is held primarily for the purpose of trading;
- (iii) it is expected to be realised within twelve months after the reporting period; or
- (iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

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

All other liabilities are classified as non-current.

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

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

### 1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

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

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

**Key assumptions**

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

**1.05 PROPERTY, PLANT AND EQUIPMENT****Property, Plant and Equipment acquired separately**

- (i) Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable taxes, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, finance cost. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- (ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.
- (iii) Set Top Boxes (STBs) on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalized or treated as sale, as the case may be.
- (iv) The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- (v) Stores and Spares which meet the definition of Property Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.

**Derecognition of Property, Plant & Equipment**

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

### **Depreciation on Property, Plant & Equipment**

- (vii) 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 and Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the cost of STBs at the customer location which are depreciated on straight-line method over a period of eight years based on internal technical assessment.
- (viii) In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- (ix) All assets costing up to Rs. 5,000/- are fully depreciated in the year of capitalisation.

## **1.06 INTANGIBLE ASSETS**

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

### **Intangible Assets acquired separately**

Intangible assets comprises of Cable Television Franchise, Movie & Serial Rights, Bandwidth Rights, Channel Design, Goodwill, Distribution Network Rights and Softwares. Cable Television Franchise represents purchase consideration of a network that is mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.

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

### **Intangible Assets acquired in business combination**

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

### **Derecognition of intangible assets**

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

**Amortisation of intangible assets**

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

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

- Softwares are amortised over the license period and in absence of such tenor, over five years.
- Movie & Serial Rights are amortised on exploitation over the balance license period in equal installments.
- Bandwidth Rights are amortised over the period of the underlying agreements.
- Channel Design are amortised over the period of five years.
- Cable Television Franchises are amortised over period of five to twenty years.
- Distribution Network Rights are amortised over period of five years.

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

**1.07 IMPAIRMENT OF ASSETS**

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

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

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



## **1.08 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS**

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

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

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

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

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

## **1.09 INVENTORIES**

Inventories are valued as follows:

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

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

## **1.10 CASH AND CASH EQUIVALENTS**

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

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

## 1.11 FINANCIAL INSTRUMENTS

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

### **Initial Recognition and Measurement – Financial Assets and Financial Liabilities**

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

### **Classification and Subsequent Measurement: Financial Assets**

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

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

#### **Amortised Cost:**

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

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

#### **FVTOCI:**

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

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

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**FVTPL:**

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

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

**Impairment of Financial Assets**

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

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

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

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**Classification and Subsequent measurement: Financial Liabilities**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Financial Liabilities at FVTPL:**

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

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

**Other Financial Liabilities:**

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

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

**Derecognition of Financial Assets and Financial Liabilities:**

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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

**Offsetting Financial Instruments:**

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

**1.12 INVESTMENT IN JOINT VENTURES**

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

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

**1.13 BORROWING COSTS**

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

## 1.14 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

### **Contingent liabilities are disclosed in the case of:**

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

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

## 1.15 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

### **(i) Short-term obligations**

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

### **(ii) Post-employment obligations**

The Company operates the following post-employment schemes:

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

### **Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

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

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

#### **Defined contribution plans**

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

#### **(iii) Other long-term employee benefit obligations**

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

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

#### **(iv) Bonus Plans**

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

### **1.16 REVENUE RECOGNITION**

#### **(i) Income from rendering of services**

The Company derives revenues primarily from MSO business comprising of Cable TV Services including Placement Income for placing channels of various Broadcasters on MSOs Platform and other allied services.

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

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

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

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company presents revenues net of indirect taxes in its statement of Profit and Loss.

#### **Contract Assets**

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

#### **Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Company performs under the contract.

#### **(ii) Other Operating Income**

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

#### **(iii) Interest Income**

Interest income from financial assets is recognised using the effective interest rate method.

#### **(iv) Dividend Income**

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

## 1.17 TAXES ON INCOME

### **Current Tax:**

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

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

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

### **Deferred tax:**

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

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

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

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

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

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



### **1.18 EARNINGS PER SHARE (EPS)**

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

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

### **1.19 LEASES**

#### **As a Lessee**

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

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

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

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

### **1.20 FOREIGN CURRENCY TRANSLATIONS**

#### **(i) Functional and presentation currency**

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

**(ii) Transactions and balances****Monetary items:**

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

**Non – Monetary items:**

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

**1.21 FINANCIAL GUARANTEE CONTRACT**

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

**1.22 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS****Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

**1.23 BUSINESS COMBINATIONS AND GOODWILL**

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

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

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

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

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

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

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

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

CINU92130MH2007PLC290016

Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

### 2.01 (a) Property, plant and equipment :

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount					Accumulated Depreciation / Impairment					Net Carrying Amount	
	As at April 1, 2021	Addition	Disposal	Other Adjustments	As at March 31, 2022	As at April 1, 2021	For the Year	Eliminated on disposal	Other Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
<b>Right of Use Assets:</b>												
Buildings	3.88	-	-	-	3.88	3.88	-	-	-	3.88	-	-
<b>Own Assets:</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	1,260.72	128.01	10.71	-	1,378.02	681.95	160.84	9.08	-	833.71	544.31	578.77
Air conditioners	2.98	0.36	0.03	-	3.31	1.50	0.45	0.03	-	1.92	1.39	1.48
Structural fittings	0.58	0.01	-	-	0.59	0.34	0.03	-	-	0.37	0.22	0.24
Furniture & Fixtures	8.28	0.54	0.00*	-	8.82	3.80	1.04	0.00*	-	4.84	3.98	4.48
Mobile & Telephone	0.60	0.01	0.00*	-	0.61	0.38	0.06	-	-	0.44	0.17	0.22
Computers	4.04	1.04	0.00*	-	5.08	2.21	0.92	0.00*	-	3.13	1.95	1.83
Office Equipments	2.01	0.48	0.00*	-	2.49	1.43	0.43	-	-	1.86	0.63	0.58
Electrical Fittings	2.11	0.57	0.00*	-	2.68	1.15	0.26	-	-	1.41	1.27	0.96
Motor Vehicles	0.88	0.01	-	-	0.89	0.46	0.10	-	-	0.56	0.33	0.42
Movie Master Tapes	0.01	-	-	-	0.01	-	-	-	-	-	0.01	0.01
<b>Total</b>	<b>1,286.09</b>	<b>131.03</b>	<b>10.74</b>	<b>-</b>	<b>1,406.38</b>	<b>697.10</b>	<b>164.13</b>	<b>9.11</b>	<b>-</b>	<b>852.12</b>	<b>554.26</b>	<b>588.99</b>

Particulars	Gross Carrying Amount					Accumulated Depreciation / Impairment					Net Carrying Amount	
	As at April 1, 2020	Addition	Disposal	Other Adjustments #	As at March 31, 2021	As at April 1, 2020	For the Year	Eliminated on disposal	Other Adjustments #	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Right of Use Assets:</b>												
Buildings	3.88	-	-	-	3.88	2.32	1.56	-	-	3.88	-	1.56
<b>Own Assets:</b>												
Plant and Equipment	1,086.47	183.56	16.09	6.78	1,260.72	515.33	175.97	13.93	4.58	681.95	578.77	571.14
Air conditioners	1.94	1.21	0.17	0.00*	2.98	1.22	0.41	0.13	0.00*	1.50	1.48	0.72
Structural fittings	0.70	0.03	0.15	-	0.58	0.36	0.09	0.11	-	0.34	0.24	0.34
Furniture & Fixtures	8.01	0.89	0.72	0.10	8.28	3.40	0.82	0.47	0.05	3.80	4.48	4.61
Mobile & Telephone	0.59	0.01	-	0.00*	0.60	0.30	0.08	-	-	0.38	0.22	0.29
Computers	2.89	1.25	0.14	0.04	4.04	1.72	0.49	0.04	0.04	2.21	1.83	1.17
Office Equipments	1.87	0.24	0.14	0.04	2.01	1.25	0.26	0.12	0.04	1.43	0.58	0.62
Electrical Fittings	2.49	0.41	0.79	0.00	2.11	1.24	0.29	0.38	0.00*	1.15	0.96	1.25
Motor Vehicles	0.78	0.01	0.00	0.09	0.88	0.30	0.11	-	0.05	0.46	0.42	0.48
Movie Master Tapes	0.01	-	-	-	0.01	-	-	-	-	-	0.01	0.01
<b>Total</b>	<b>1,109.63</b>	<b>187.61</b>	<b>18.20</b>	<b>7.05</b>	<b>1,286.09</b>	<b>527.44</b>	<b>180.08</b>	<b>15.18</b>	<b>4.76</b>	<b>697.10</b>	<b>588.99</b>	<b>582.19</b>

\* Amount less than ₹ 50,000

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

CINU92130MH2007PLC290016

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

Notes :

- 1 Depreciation charge for the year includes Impairment of Plant and Equipments ₹ 50.60 (March 31, 2021: ₹ 53.56) & Other tangible Assets of ₹ Nil (March 31, 2021: ₹ 0.73)
- 2 Refer note no 4.04 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.
- 3 Acquisition through business combination ( Refer Note 4.16)

#### 2.01 (b) Capital work in progress (CWIP)

(i) Aging schedule as at 31st March, 2022:

CWIP	Outstanding for following periods from				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	13.13	3.61	-	-	16.74
<b>Total</b>	<b>13.13</b>	<b>3.61</b>	<b>-</b>	<b>-</b>	<b>16.74</b>

(ii) Aging schedule as at 31st March, 2021:

CWIP	Outstanding for following periods from				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	25.29	25.52	2.86	-	53.67
<b>Total</b>	<b>25.29</b>	<b>25.52</b>	<b>2.86</b>	<b>-</b>	<b>53.67</b>

#### 2.02 Intangible Assets :

( ₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount					Accumulated Amortisation / Impairment					Net Carrying Amount	
	As at April 1, 2021	Addition	Disposal	Other Adjustments	As at March 31, 2022	As at April 1, 2021	For the Year	Eliminated on disposal	Other Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Goodwill	8.97	-	-	-	8.97	1.16	0.75	-	-	1.91	7.06	7.81
Cable Television Franchise	24.17	0.03	-	-	24.20	12.71	2.48	-	-	15.19	9.01	11.46
Movie & Serial Rights	36.87	5.69	-	-	42.56	29.19	9.18	-	-	38.37	4.19	7.68
Softwares	67.98	13.32	-	-	81.30	42.21	8.80	-	-	51.01	30.29	25.77
Bandwidth Rights	17.42	0.00*	-	-	17.42	5.80	1.45	-	-	7.25	10.17	11.62
Channel Design	1.00	-	-	-	1.00	0.96	0.04	-	-	1.00	-	0.04
Distribution Network Right	-	3.25	-	-	3.25	-	0.32	-	-	0.32	2.93	-
<b>Total</b>	<b>156.41</b>	<b>22.29</b>	<b>-</b>	<b>-</b>	<b>178.70</b>	<b>92.03</b>	<b>23.02</b>	<b>-</b>	<b>-</b>	<b>115.05</b>	<b>63.65</b>	<b>64.38</b>

**Hathway Digital Limited**

(Formerly known as Hathway Digital Private Limited)

**CINU92130MH2007PLC290016****Notes To The Standalone Financial Statements For The Year Ended March 31, 2022**

Particulars	Gross Carrying Amount					Accumulated Amortisation / Impairment					Net Carrying Amount	
	As at April 1, 2020	Addition	Disposal	Other Adjustments #	As at March 31, 2021	As at April 1, 2020	For the Year	Eliminated on disposal	Other Adjustments #	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Goodwill	3.65			5.32	8.97	0.66			0.50	1.16	7.81	2.99
Cable Television Franchise	23.19	0.00*	-	0.98	24.17	9.38	2.68	-	0.65	12.71	11.46	13.81
Movie & Serial Rights	20.96	15.91	-	-	36.87	20.19	9.00	-	-	29.19	7.68	0.77
Softwares	51.61	16.37	-	-	67.98	35.63	6.58	-	-	42.21	25.77	15.98
Bandwidth Rights	17.42	-	-	-	17.42	4.35	1.45	-	-	5.80	11.62	13.07
Channel Design	1.00	-	-	-	1.00	0.72	0.24	-	-	0.96	0.04	0.28
<b>Total</b>	<b>117.83</b>	<b>32.28</b>	<b>-</b>	<b>6.30</b>	<b>156.41</b>	<b>70.93</b>	<b>19.95</b>	<b>-</b>	<b>1.15</b>	<b>92.03</b>	<b>64.38</b>	<b>46.90</b>

\* Amount less than ₹ 50,000/-

Notes :

- 1 Amortisation charge for the year includes Impairment of Cable Television Franchise ₹ 0.27 (March 31, 2021: ₹ 0.11) and impairment of Goodwill ₹ 0.75 (March 31, 2021: ₹ Nil)
- 2 Acquisition through business combination ( Refer Note 4.16)
- 3 Range of remaining period of amortisation as at March 31, 2022 of Intangible assets is as below :

	0 to 5 years	6 to 10 years	10 to 15 years	Total
Cable Television Franchise	6.76	2.12	0.13	9.01
Movie & Serial Rights	4.19	-	-	4.19
Softwares	30.29	-	-	30.29
Bandwidth Rights	7.13	3.04	-	10.17
Distribution Network Right	2.93	-	-	2.93
<b>Total</b>	<b>51.30</b>	<b>5.16</b>	<b>0.13</b>	<b>56.59</b>

**Hathway Digital Limited**

(Formerly known as Hathway Digital Private Limited)

**Notes To The Standalone Financial Statements For The Year Ended March 31, 2022**

(` in Crores unless otherwise stated)

2.03 NON-CURRENT INVESTMENTS	FACE VALUE	March 31, 2022		March 31, 2021	
	₹ Per Unit	Quantity	Amount	Quantity	Quantity
<b>Investments (measured at cost)</b>					
<b>Unquoted (fully paid up)</b>					
<b>Investment in Equity shares of Joint Ventures</b>					
Hathway CCN Multinet Private Limited	10	-	-	2,42,250	5.53
Hathway CCN Entertainment (India) Private Limited	10	-	-	2,55,000	4.68
Hathway CBN Multinet Private Limited	10	-	-	25,500	1.65
Hathway Bhaskar CCN Multi Entertainment Private Limited	10	7,000	2.70	7,000	2.70
Less : Impairment in value of investment			2.70		2.70
<b>Total (A)</b>			-		<b>11.86</b>
<b>Quoted (fully paid up)</b>					
<b>Investment in Associate</b>					
Hathway Bhawani Cable and Datacom Limited	10	21,60,000	2.46		2.46
Less : Impairment in value of investment			0.62		0.62
<b>Total (B)</b>			1.84		1.84
<b>Investment at Fair Value through Other Comprehensive Income</b>					
<b>Unquoted</b>					
<b>Investment in Bonds</b>					
HDFC Bonds		2,000	199.58		-
<b>Total (C)</b>			199.58		-
<b>Total (A+B+C)</b>			201.42		13.70
<b>Aggregate amount of unquoted investments</b>			<b>2.70</b>		<b>14.56</b>
<b>Aggregate amount of impairment in value of investments</b>			<b>3.32</b>		<b>3.32</b>
<b>Aggregate amount of quoted investments</b>			<b>2.46</b>		<b>2.46</b>
<b>Aggregate fair value of investments at FVTOCI</b>			<b>199.58</b>		<b>-</b>
<b>Market value of quoted investment</b>			<b>5.04</b>		<b>3.53</b>

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

(₹ in Crores unless otherwise stated)

2.04 LOANS	Non Current		Current	
	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Loan to Related Parties</b>				
Loan receivables - credit impaired	6.09	7.72	-	-
	6.09	7.72	-	-
Less: Loss Allowance	6.09	7.72	-	-
	(A)	-	-	-
<b>Other Loans</b>				
Loans Given	-	-	-	0.05
Loan receivables - credit impaired	0.28	0.49	-	-
	0.28	0.49	-	0.05
Less: Loss Allowance	0.28	0.49	-	-
	(B)	-	-	0.05
<b>Total (A+B)</b>				<b>0.05</b>
				<b>0.05</b>

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.  
Further information about these loans is set out in note no. 4.09. These financial assets are carried at amortised cost.

#### 2.04.1 Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the Related Parties

Particulars	As at	% to the total Loans and Advances	As at	% to the total Loans and Advances
	March 31, 2022		March 31, 2021	
Related Parties *	6.09	95.65%	7.72	93.43%
<b>Total</b>	<b>6.09</b>	<b>95.65%</b>	<b>7.72</b>	<b>93.43%</b>

\* All the above loans and advances have been given are repayable on demand



2.05 OTHER FINANCIAL ASSETS	Non-Current		Current	
	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Security Deposits	12.10	7.20	4.63	11.04
Unbilled Revenue #	-	-	23.18	13.23
Bank deposits with more than 12 months maturity	-	0.05	-	-
Accrued Interest On Deposits with Bank / Other Loans	-	-	2.97	0.08
<b>Total</b>	<b>12.10</b>	<b>7.25</b>	<b>30.78</b>	<b>24.35</b>

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

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

2.06 DEFERRED TAX ASSETS (NET) *	As at	
	March 31, 2022	March 31, 2021
<b>The balance comprises of temporary differences attributable to -</b>		
<b>Deferred tax assets in relation to :</b>		
Property, Plant & Equipment	69.20	62.86
Business loss	72.96	91.56
Others	120.33	112.02
	<b>262.49</b>	<b>266.44</b>
<b>Deferred tax liabilities in relation to :</b>		
Property, Plant and Equipment	-	1.13
	<b>-</b>	<b>1.13</b>
<b>NET DEFERRED TAX ASSET</b>	<b>262.49</b>	<b>265.31</b>

Significant Estimates

\* The deferred tax assets recognised is mainly in respect of unabsorbed depreciation allowance and brought forward losses available for set off in terms of applicable tax laws. The Management is reasonably certain of future taxable income and hence recovery of such deferred tax assets.

**The movement in deferred tax asset/ liabilities during the year ended March 31, 2022 :**

Particular	As at March 31, 2021	(Charged) / Credited in Profit / (Loss)	(Charged) / Credited in Other Comprehensive Income	As at March 31, 2022
<b>Deferred tax assets in relation to :</b>				
Property, Plant & Equipment	62.86	6.34	-	69.20
Business loss	91.56	(18.60)	-	72.96
Others	112.02	8.14	0.17	120.33
	<b>266.44</b>	<b>(4.12)</b>	<b>0.17</b>	<b>262.49</b>
<b>Deferred tax liabilities in relation to :</b>				
Property, Plant and Equipment	1.13	1.13	-	-
Others	1.13	1.13	-	-
<b>Total</b>	<b>265.31</b>	<b>(2.99)</b>	<b>0.17</b>	<b>262.49</b>

\* Amount less than ₹ 50,000

2.07 OTHER ASSETS	Non-Current		Current	
	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b><u>CAPITAL ADVANCES</u></b>				
Unsecured, considered good unless stated otherwise				
Advance to Suppliers	6.30	0.42	-	-
Doubtful	0.56	3.10	-	-
	6.86	3.52	-	-
Less: Allowance for bad & doubtful advances	0.56	3.10	-	-
<b>(A)</b>	<b>6.30</b>	<b>0.42</b>	-	-
<b><u>ADVANCES OTHER THAN CAPITAL ADVANCES</u></b>				
Unsecured, considered good unless stated otherwise				
Balance with Government authorities:				
GST/Service Tax Recoverable	-	1.39	54.08	49.86
Balance with Other Statutory Authorities	0.87	0.97	0.08	0.01
Advance Income Tax (Net of Provision)	39.22	30.82	-	-
Deposit paid under Protest	10.66	12.63	-	-
Prepaid expenses	0.57	0.12	5.99	3.79
Staff Advances	-	-	0.23	0.26
Sundry Advances	-	0.02	2.28	5.27
Doubtful	2.30	2.44	-	-
	53.62	48.39	62.66	59.19
Less: Allowance for bad & doubtful advances	2.30	2.44	-	-
<b>(B)</b>	<b>51.32</b>	<b>45.95</b>	<b>62.66</b>	<b>59.19</b>
<b>Total (A+B)</b>	<b>57.62</b>	<b>46.37</b>	<b>62.66</b>	<b>59.19</b>
Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.				

2.08 INVENTORIES	As at	
	March 31, 2022	March 31, 2021
Stock of Spares & Maintenance Items	0.31	0.36
<b>Total</b>	<b>0.31</b>	<b>0.36</b>

2.09 CURRENT INVESTMENTS	Current	
	As at	
	March 31, 2022	March 31, 2021
<b>Investments at fair value through profit or loss - Unquoted</b>		
Investment in Debt - Mutual Funds	193.10	724.40
<b>Investments at fair value through other comprehensive income - Unquoted</b>		
Investment in Debt - Mutual Funds	394.11	-
<b>Total Current Investments</b>	<b>587.21</b>	<b>724.40</b>
<b>Aggregate amount of unquoted investments</b>	<b>587.21</b>	<b>724.40</b>

2.10 TRADE RECEIVABLES	Current	
	As at	
	March 31, 2022	March 31, 2021
Trade Receivable - Unsecured considered Good	54.64	17.51
Trade Receivable - Unsecured credit impaired	469.61	477.40
	<b>524.25</b>	<b>494.91</b>
Less : Loss Allowance	469.61	477.40
	<b>54.64</b>	<b>17.51</b>
Note : No amount is receivable from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.		

## 2.10.1 Trade Receivables ageing as on 31st March 2022

Particlars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	0.76	53.88	-	-	-	-	<b>54.64</b>
(ii) Undisputed Trade Receivables - credit impaired	-	14.69	12.62	42.12	147.70	252.48	<b>469.61</b>
<b>Total</b>	<b>0.76</b>	<b>68.57</b>	<b>12.62</b>	<b>42.12</b>	<b>147.70</b>	<b>252.48</b>	<b>524.25</b>

## 2.10.2 Trade Receivables ageing as on 31st March 2021

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	0.72	16.79	-	-	-	-	17.51
(ii) Undisputed Trade Receivables - credit impaired	-	43.81	13.57	38.81	194.19	187.02	477.40
<b>Total</b>	<b>0.72</b>	<b>60.60</b>	<b>13.57</b>	<b>38.81</b>	<b>194.19</b>	<b>187.02</b>	<b>494.91</b>

2.11 CASH AND CASH EQUIVALENTS	Current	
	As at	
	March 31, 2022	March 31, 2021
<b>Cash &amp; Cash Equivalents</b>		
Balances with banks:		
In Current Accounts	7.56	47.70
Cheques/drafts on Hand	-	0.01
Fixed Deposits with original maturity upto 3 months	-	0.64
Cash in hand	0.38	0.65
	<b>7.94</b>	<b>49.00</b>

2.12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	Current	
	March 31, 2022	March 31, 2021
	Margin money deposit*	0.11
In Current Accounts	0.02	0.07
Deposits with original maturity for more than 3 months but less than 12 months	-	5.32
	<b>0.13</b>	<b>5.50</b>

\* Marked under lien in favour of Banks

2.13 CURRENT TAX ASSETS (NET)	As at	
	March 31, 2022	March 31, 2021
	<b>Current tax assets</b>	
Advance Income Tax (Net of Provision)	-	1.64
	<b>-</b>	<b>1.64</b>

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

2.14 EQUITY SHARE CAPITAL	As at	
	March 31, 2022	March 31, 2021
<b>SHARE CAPITAL</b>		
<b>Authorised Capital</b> 62,23,70,000 (March, 31, 2021: 56,19,00,000) Equity Shares of face value of ₹ 10 Each	622.37	561.90
<b>Total</b>	622.37	561.90
<b>Issued, Subscribed and Paid up Capital</b> 35,57,34,833 Equity Shares of face value of ₹10 each fully paid up (March 31, 2021 : 35,57,34,833 Equity Shares of ₹ 10 each)	355.73	355.73
<b>Total</b>	<b>355.73</b>	<b>355.73</b>

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

	As at			
	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
<b>Equity Shares of Rs.10 each</b> Shares Outstanding at the beginning of the year	35,57,34,833	355.73	35,57,34,833	355.73
Shares Outstanding at the end of the year	<b>35,57,34,833</b>	<b>355.73</b>	<b>35,57,34,833</b>	<b>355.73</b>

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

	As at	
	March 31, 2022	March 31, 2021
	No. of Shares Held	No. of Shares Held
<b>Equity Shares of Rs. 10 each</b> Hathway Cable and Datcom Limited- Holding Company*	35,57,34,833	35,57,34,833
	<b>35,57,34,833</b>	<b>35,57,34,833</b>

\* Including 6 Equity Shares held by 6 nominee shareholders of Hathway Cable and Datacom Limited

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

Name of Shareholder	As at			
	March 31, 2022		March 31, 2021	
	Number	% of Holding	Number	% of Holding
<b>Equity Shares of Rs. 10 each</b> Hathway Cable and Datcom Limited- Holding Company*	35,57,34,833	100.00	35,57,34,833	100.00

\* Including 6 Equity Shares held by 6 nominee shareholders of Hathway Cable and Datacom Limited

**2.14.1 Shareholding of Promoter As at 31st March, 2022**

Sr. No.	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	change during the year	shares at the end of the year	% of total shares	% change during the year
1	Fully paid-up equity shares of Rs. 10 each	Hathway Cable and Datcom Limited-Holding Company*	35,57,34,833	-	35,57,34,833	100.00	-

\* Including 6 Equity Shares held by 6 nominee shareholders of Hathway Cable and Datacom Limited

**2.14.2 Shareholding of Promoter As at 31st March, 2021**

Sr. No.	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	change during the year	shares at the end of the year	% of total shares	% change during the year
1	Fully paid-up equity shares of Rs. 10 each	Hathway Cable and Datcom Limited-Holding Company*	35,57,34,833	-	35,57,34,833	100.00	-

\* Including 6 Equity Shares held by 6 nominee shareholders of Hathway Cable and Datacom Limited

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

The Company has issued only one class of equity shares having face value of Rs.10/- (March 31, 2021 : Rs.10/-) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

(₹ in Crores unless otherwise stated)

2.15 OTHER EQUITY	As at	
	March 31, 2022	March 31, 2021
<b>Instrument classified as equity</b>		
<b>Optionally Convertible Preference Shares (OCPS)</b>		
0.01% Non-Cumulative OCPS Series-I	1,000.00	1,000.00
0.01% Non-Cumulative OCPS Series-II	800.00	800.00
<b>Reserves and Surplus</b>		
General reserve	3.15	3.15
Retained earnings	(684.14)	(705.79)
Securities Premium	94.23	94.23
Capital Reserve	48.36	48.35
Debt Instruments through Other Comprehensive Income	(1.91)	-
<b>Total</b>	<b>1,259.69</b>	<b>1,239.94</b>

#### 1 0.01% Non Cumulative Optionally Convertible Preference Shares (“OCPS-Series-I”) of Rs. 10 each, fully paid-up

##### Terms/ rights attached to Preference Shares:

The amount subscribed/paid on each OCPS are either redeemable at Rs. 10 or convertible into 1 (One) Equity Share of Rs. 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS (i.e. 29th October, 2020).

##### The reconciliation of the number of shares outstanding is set out below:

Particulars	March 31, 2022		March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Preference shares at the beginning of the year	1,00,00,00,000	1,000.00	-	-
Add: Issue of Shares	-	-	1,00,00,00,000	1,000.00
<b>Preference shares at the end of the year</b>	<b>1,00,00,00,000</b>	<b>1,000.00</b>	<b>1,00,00,00,000</b>	<b>1,000.00</b>

#### 2 0.01% Non Cumulative Optionally Convertible Preference Shares (“OCPS-Series-II”) of Rs. 10 each, fully paid-up

##### Terms/ rights attached to Preference Shares:

The amount subscribed/paid on each OCPS are either redeemable at Rs. 10 or convertible into 1 (One) Equity Share of Rs. 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the OCPS (i.e. 12th November, 2020).

##### The reconciliation of the number of shares outstanding is set out below:

Particulars	March 31, 2022		March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Preference shares at the beginning of the year	80,00,00,000	800.00	-	-
Add: Issue of Shares	-	-	80,00,00,000	800.00
<b>Preference shares at the end of the year</b>	<b>80,00,00,000</b>	<b>800.00</b>	<b>80,00,00,000</b>	<b>800.00</b>

#### 3 Nature and purpose of other reserves

##### (a) General Reserve:

The Company had not transferred any amount to general reserve during the year however a portion of Net profit of the Company transferred to general reserve in earlier year/s pursuant to earlier provisions of the Companies Act, 1956

##### (b) Retained Earnings :

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

##### (c) Securities Premium :

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

##### (d) Capital reserve :

Capital reserve represents recognition of equity component included in preference shares issued to Holding Company. It has also been recognised on giving effect to Scheme of merger of twenty two wholly owned subsidiaries referred to in Note 4.16

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

(₹ in Crores unless otherwise stated)

2.16 BORROWINGS	Non Current		Current	
	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Loans repayable on demand</b>				
<b>Secured</b>				
Overdraft with bank	-	-	-	0.00*
<b>Unsecured</b>				
Loan from Related Parties	-	27.99	-	1.51
<b>Redeemable Preference Shares (Unsecured)</b>	0.05	0.05	-	-
	<b>0.05</b>	<b>28.04</b>	<b>-</b>	<b>1.51</b>

\* Amount less than ₹ 50,000

#### a) Nature of Security and Terms of repayment for borrowings :

Sr. No.	Nature of Security	Terms of Repayment	As at		As at	
			March 31, 2022		March 31, 2021	
			Non-Current	Current	Non-Current	Current
1	<b>Non Current Borrowings</b> 5% Non- Cumulative Redeemable Preference Shares (face value Rs. 10 each) <b>Unsecured</b> Holding Company	Redeemable at par on April 30, 2028	0.05	-	0.05	-
2	<b>Unsecured</b> Loan from Holding Company		-	-	27.99	-
	<b>Gross Borrowings</b>		<b>0.05</b>	<b>-</b>	<b>28.04</b>	<b>-</b>
	Add: Loan fully repaid prior to the balance sheet date Less: Unamortised upfront fees on borrowing		-	-	-	-
	<b>Total Non- Current Borrowings</b>		<b>0.05</b>	<b>-</b>	<b>28.04</b>	<b>-</b>
3.0	<b>CURRENT BORROWINGS</b>					
3.1	<b>Overdraft</b>					
3.1.1	<b>Axis Bank Ltd</b> Secured by Fixed Deposits of Hathway Cable and Datacom Limited (HCDL), parent of the Company of ₹ 50 (₹ 75)	(Sanctioned Amount ₹ 50 (₹ 75))	-	-	-	0.00*
4.0	<b>Unsecured</b> Loan from Holding Company	Repayable on Demand	-	-	-	1.51
	Less: Unamortised upfront fees on borrowing		-	-	-	-
	Add: Loan fully repaid prior to the balance sheet date		-	-	-	-
	<b>Total Current Borrowings</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>1.51</b>

\* Amount less than ₹ 50,000



## Hathway Digital Limited

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### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

2.17 OTHER FINANCIAL LIABILITIES	Non-Current		Current	
	As at		As at	
	March 31, 2022	Mar 31, 2021	March 31, 2022	Mar 31, 2021
Security Deposits	0.35	0.95	-	-
Salary and Employee benefits payable	-	-	3.72	3.03
Capital Creditors :				
-Micro and Small	-	-	0.73	2.82
-Others	-	-	9.84	16.21
Other Financial Liabilities :				
-Micro and Small	-	-	1.10	3.07
-Others	-	0.07	17.90	20.68
<b>Total</b>	<b>0.35</b>	<b>1.02</b>	<b>33.29</b>	<b>45.81</b>

2.18 PROVISIONS	Non-Current		Current	
	As at		As at	
	March 31, 2022	Mar 31, 2021	March 31, 2022	Mar 31, 2021
<b>Employee Benefits</b>				
Provision for Leave Encashment	1.72	1.71	0.15	0.08
Provision for Bonus	-	-	0.05	0.05
<b>Total</b>	<b>1.72</b>	<b>1.71</b>	<b>0.20</b>	<b>0.13</b>

2.19 OTHER LIABILITIES	Non-Current		Current	
	As at		As at	
	March 31, 2022	Mar 31, 2021	March 31, 2022	Mar 31, 2021
Contract liability	-	-	6.15	7.12
Statutory Payables	-	0.00*	34.76	29.31
Gratuity (Funded)	3.17	3.01	0.15	0.06
Other Liabilities	0.00*	5.29	11.55	37.83
<b>Total</b>	<b>3.17</b>	<b>8.30</b>	<b>52.61</b>	<b>74.32</b>

\* Amount less than ₹ 50,000

## Hathway Digital Limited

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### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

2.20 TRADE PAYABLES	As at	
	March 31, 2022	March 31, 2021
Total outstanding dues of Micro enterprises and Small Enterprises	0.01	0.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	205.13	165.11
	<b>205.14</b>	<b>165.16</b>

#### 2.20.1 TRADE PAYABLES AGING AS ON 31ST MARCH, 2022

Particlars	Unbilled Due	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	-	-	0.01	-	-	-	<b>0.01</b>
(ii) Others	77.70	-	121.88	0.42	0.78	4.04	<b>204.82</b>
(iii) Disputed dues- Others	-	-	-	-	-	0.31	<b>0.31</b>
<b>Total</b>	<b>77.70</b>	<b>-</b>	<b>121.89</b>	<b>0.42</b>	<b>0.78</b>	<b>4.35</b>	<b>205.14</b>

#### 2.20.2 TRADE PAYABLES AGING AS ON 31ST MARCH, 2021

Particlars	Unbilled Due	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	-	-	0.05	-	-	-	<b>0.05</b>
(ii) Others	74.92	-	82.90	0.86	0.18	5.95	<b>164.81</b>
(iii) Disputed dues- Others	-	-	-	-	0.02	0.28	<b>0.30</b>
<b>Total</b>	<b>74.92</b>	<b>-</b>	<b>82.95</b>	<b>0.86</b>	<b>0.20</b>	<b>6.23</b>	<b>165.16</b>

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

3.01 REVENUE FROM OPERATIONS	Year Ended	
	March 31, 2022	March 31, 2021
Sale of services	1,157.76	1,096.45
Other operating revenues	1.65	2.18
<b>Total</b>	<b>1,159.41</b>	<b>1,098.63</b>

3.02 OTHER INCOME	Year Ended	
	March 31, 2022	March 31, 2021
<b>Interest income earned :</b>		
<b>On Financial Assets measured at Amortised Cost:</b>		
Bank Deposits	0.37	0.52
Interest on Loans	-	0.07
Unwinding Interest on financial assets	-	0.05
<b>On Financial Assets measured at Fair Value through Other Comprehensive Income :</b>		
Interest on Bonds	0.47	-
Interest on Debt Fund	12.71	-
<b>Other non - operating income:</b>		
Interest on Income Tax Refund	0.02	2.28
Amount No Longer Payable Written Back	1.46	3.95
Miscellaneous Income	0.00*	0.27
Reversal of impairment of receivables on account of merger of companies	-	11.49
<b>Other Gains and Losses</b>		
Gain on Disposal of Current Investments (Net)	7.07	10.44
Net Gain on sale of investments measured at fair value through other comprehensive income	18.18	-
Net gain on financial assets measured at fair value through profit and loss	2.79	1.81
Profit on Sale of property, plant and equipment	0.34	0.42
Net gain on foreign currency fluctuations	-	0.68
<b>Total</b>	<b>43.41</b>	<b>31.98</b>

\* Amount Less than ₹ 50,000/-

3.03 OTHER OPERATIONAL EXPENSES	Year Ended	
	March 31, 2022	March 31, 2021
Commission	43.26	35.93
Bandwidth & Lease Line Cost	45.57	33.96
Other Sundry Operational Cost	14.40	13.74
Repairs & Maintenance ( Plant & Machinery )	13.96	9.52
Lease Expense	14.80	11.13
Consultancy & Technical Fees	14.66	12.69
Feed charges	0.76	0.64
Software & Programming Cost	9.66	10.44
Freight & Octroi Charges	2.08	2.66
Hire Charges	3.13	2.83
<b>Total</b>	<b>162.28</b>	<b>133.54</b>

3.04 EMPLOYEE BENEFITS EXPENSE	Year Ended	
	March 31, 2022	March 31, 2021
Salaries & Bonus	39.18	34.61
Contribution to provident and other fund	2.47	2.28
Staff Welfare expenses	2.80	2.05
<b>Total</b>	<b>44.45</b>	<b>38.94</b>

3.05 FINANCE COST	Year Ended	
	March 31, 2022	March 31, 2021
Interest and Finance charges on financial liabilities	-	15.55
Other borrowing costs	-	2.22
<b>Total</b>	<b>-</b>	<b>17.77</b>

\* Amount Less than ₹ 50,000/-

3.06 DEPRECIATION, AMORTISATION AND IMPAIRMENT	Year Ended	
	March 31, 2022	March 31, 2021
Depreciation of Property, Plant and Equipment	113.53	125.79
Amortisation of Intangible Assets	22.00	19.84
Impairment of Property, Plant and Equipment	50.60	54.29
Impairment of Other Intangible Assets	1.02	0.11
<b>Total</b>	<b>187.15</b>	<b>200.03</b>

3.07 OTHER EXPENSES	Year Ended	
	March 31, 2022	March 31, 2021
Service Charges	67.22	59.31
Bad Debts	1.73	3.05
Less: Transfer from allowance on doubtful debts (Expected Credit Loss)	(1.73)	(3.05)
Impairment of trade receivables	0.71	4.65
Electricity Expenses	13.78	12.84
Loss on disposal / shortage of assets	2.91	5.55
Loss on Foreign Exchange Fluctuation (Net)	0.01	-
Rates & taxes	1.66	3.75
Office Expenses	6.20	5.97
Legal & Professional Charges	5.28	4.09
Advertisement & Promotion expenses	1.26	1.32
Conveyance	1.22	1.20
Repairs & Maintenance (Others)	2.67	2.89
Lease Expense - Offices	6.88	7.59
Communication Charges	0.76	0.64
Travelling	1.46	0.83
Printing & Stationery	0.50	0.39
Miscellaneous Expenses	0.36	1.20
Business Promotion Expenses	0.90	0.73
Insurance Charges	0.39	0.37
Interest on Taxes	0.00*	0.63
Advances Written Off	0.07	4.03
Bank Charges	1.12	-
Auditor's Remuneration - Statutory Audit Fees	0.55	0.43
	<b>115.91</b>	<b>118.41</b>

\* Amount Less than ₹ 50,000/-

3.08 EXCEPTIONAL ITEMS	Year Ended	
	March 31, 2022	March 31, 2021
Settlement under amnesty scheme for local levies	8.22	4.59
Exposure to Receivables of Certain Fellow Subsidiaries	10.81	-
Loss on stake Sale of Joint Ventures	9.51	-
	<b>28.54</b>	<b>4.59</b>

## Hathway Digital Limited

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### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

#### 4.01 Earnings Per Share

	Year ended	
	March 31, 2022	March 31, 2021
<b>Basic earnings per share ( In ₹ )</b>		
Attributable to equity holders of the Company	0.61	2.13
<b>Diluted earnings per share (In ₹)</b>		
Attributable to equity holders of the Company	0.10	0.52
Nominal value of Ordinary shares (Amount in ₹)	10.00	10.00
<b>Reconciliation of earnings used in calculating earnings per share :</b>		
<b>Basic earnings per share</b>		
Profit attributable to equity holders of the Company used in calculating basic earnings per share	21.63	75.82
<b>Diluted earnings per share</b>		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	21.63	75.82
<b>Weighted average number of shares used as the denominator in calculating basic earnings per share</b>	35,57,34,833	35,57,34,833
<b>Weighted average number of shares used as the denominator in calculating diluted earnings per share</b>	2,15,57,34,833	1,47,08,03,326

#### 4.02 Contingent Liabilities

- In the state of Telangana, VAT authorities have considered Set top boxes deployed as sale and raised demand of ₹ 18.05 (March 31, 2021 : ₹ 18.05) for the period April, 2011 to May 31, 2013. The Company's appeal is pending before Tribunal. The Company has deposited 50% of the amount demanded. The authorities have also levied penalty @ 100% of demand without giving an opportunity of hearing. On writ petition, Andhra Pradesh High Court has directed to initiate fresh proceedings. Since this demand was based on an advance ruling order given by relevant authority in some other case, the Company being an affected party, has filed review petition before the Advance Ruling authority. The matter has been admitted and heard, however, the decision is awaited.
- Entertainment Tax Officer, Pune has raised demand for Entertainment Tax on secondary points up to October, 2014 amounting to ₹ 4.57 (March 31, 2021 : ₹ 4.57) Writ petition has been filed before the Bombay High Court challenging the demand. Another writ petition has also been filed challenging the constitutional validity, enforceability and legality of the amendment in the Maharashtra Entertainments Duty Act, 1923 brought about w.e.f June 25, 2014.
- Karnataka VAT Department has reassessed VAT liabilities for the financial Years 2011-12 to 2015-16 stating that the amount realized as activation charges is sale of STBs and liable to VAT. The total tax liability is determined at ₹ 23.72 (March 31, 2021 : ₹ 17.70 ). The honorable High Court has admitted the writ petitions and has granted an order of stay over recovery of taxes.

## Hathway Digital Limited

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### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

(₹ in Crores unless otherwise stated)

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

Matters with	As at	As at
	March 31, 2022	March 31, 2021
Operators & Others	4.79	6.81
Entertainment Tax	8.22	8.23
Custom Duty	5.63	5.63
Service Tax	0.64	-
Income Tax	17.75	3.19
GST/VAT/Commercial Tax	4.99	4.85
Other Statutory Departments	0.29	0.32
<b>Total</b>	<b>42.31</b>	<b>29.03</b>

Pursuant to Business Transfer Agreement dated March 24, 2017, the Company has purchased Cable Television business, which inter alia includes claims against the Company not acknowledged as debts, by way of slump sale from its holding Company Hathway Cable and Datacom Limited (HCDL). Accordingly, the details of such claims, litigation etc. relating to Cable Television business received from HCDL are disclosed herein above.

g) **Foreseeable losses**

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

h) **Note on pending litigations**

The Company's pending litigations comprise of proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

#### 4.03 Financial Corporate Guarantee

The Company has given Corporate Guarantees of ₹ Nil (March 31, 2021: ₹ 7.00) to Banks towards various credit facilities extended by them to the holding company.

#### 4.04 Capital and Other Commitments

Estimated amount of contracts (including acquisition of intangible assets net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ 102.08 (March 31, 2021: ₹ 103.31).

The Company has committed to provide the necessary level of support to its various fellow subsidiaries and Joint ventures to remain in existence and continue as going concern.

#### 4.05 Employee Benefits

a) **Defined Benefit Plans:**

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

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

## Hathway Digital Limited

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### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

(₹ in Crores unless otherwise stated)

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment with LIC of India & Exide Life Insurance Corporation of India.
Interest Risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments
Longevity Risk	The plan is of a final salary defined benefit in nature, which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.
Salary Risk	The Gratuity benefit, being based on last drawn salary, will be critically effected in case of increase in future salaries being more than assumed.

Particulars	Gratuity	
	March 31, 2022	March 31, 2021
<b>1 Expense recognized in the statement of Profit and Loss</b>		
Current Service Cost	0.52	0.51
Net Interest	0.19	0.19
<b>Expense recognized in the statement of Profit and Loss</b>	<b>0.71</b>	<b>0.70</b>
<b>2 Other Comprehensive Income (OCI)</b>		
Measurement of net defined benefit liability		
Actuarial (gains)/ losses arising from changes in financial assumption	(0.04)	0.07
Actuarial (gains)/ losses arising from experience adjustments	0.03	(0.23)
Return on plan asset excluding net interest	(0.01)	(0.01)
<b>Total Actuarial (Gain)/loss recognised in OCI</b>	<b>(0.02)</b>	<b>(0.17)</b>
<b>3 Change in benefit obligations:</b>		
Projected benefit obligations at beginning of the year	3.52	3.19
Current Service Cost	0.52	0.51
Interest Cost	0.22	0.21
Benefits Paid	(0.44)	(0.22)
Actuarial (gains)/ losses arising from changes in financial assumption	(0.04)	0.07
Actuarial (gains)/ losses arising from experience adjustments	0.03	(0.24)
<b>Projected benefit obligations at end of the year</b>	<b>3.81</b>	<b>3.52</b>
<b>4 Fair Value of Plan Assets</b>		
Opening Fair Value of Plan Asset	0.46	0.44
Actual Return on Plan Assets less Interest on Plan Assets	0.01	0.01
Interest Income	0.02	0.02
Contributions by Employer	0.44	0.20
Benefits Paid	(0.44)	(0.21)
<b>Closing Fair Value of Plan Asset</b>	<b>0.49</b>	<b>0.46</b>



**Hathway Digital Limited**

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**Notes To The Standalone Financial Statements For The Year Ended March 31, 2022**

(` in Crores unless otherwise stated)

Particulars	Gratuity	
	March 31, 2022	March 31, 2021
<b>5 Net Liability</b>		
Projected benefit obligations at end of the year	3.81	3.53
Fair Value of Plan Asset at the end of the year	0.49	0.46
<b>Net Liability</b>	<b>3.32</b>	<b>3.07</b>
<b>6 The net liability disclosed above relates to funded plans are as follows :</b>		
Projected benefit obligations at end of the year	3.81	3.53
Fair Value of Plan Asset at the end of the year	0.49	0.46
<b>Deficit of gratuity plan</b>	<b>3.32</b>	<b>3.07</b>
<b>7 Sensitivity Analysis</b>		
<b>Present value of benefit obligation at the end of the year on</b>		
0.50 % point increase in discount rate	3.70	3.43
0.50 % point decrease in discount rate	3.91	3.63
0.50 % point increase in rate of salary rate	3.91	3.63
0.50 % point decrease in rate of salary rate	3.70	3.42
1.00 % point increase in attrition rate	3.81	3.53
1.00 % point decrease in attrition rate	3.80	3.52
10.00 % point increase in mortality rate	3.81	3.53
10.00 % point decrease in mortality rate	3.80	3.53
<b>8 Principal assumptions used for the purpose of actuarial valuation</b>		
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
Interest /discount rate	6.75%	6.55%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	5.85	6.19
	21-30 Year :	21-30 Year :
	21.7%	21.7%
	31-50 Year :	31-50 Year :
	7.8%	7.8%
Employee Attrition Rate - Past service(PS)	51-57 Year :	51-57 Year :
	11.11%	11.11%
<b>9 Investment Details</b>		
Insurer managed funds	100.00%	100.00%

**b) Defined Contribution Plans:**

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

The Total expenses recognised in the statement of Profit and Loss is ₹ 1.76 (March 31, 2021: ₹ 1.59) represents contribution payable to these plans by the Company at the rates specified in the rules of plan.

## Hathway Digital Limited

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### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

(₹ in Crores unless otherwise stated)

#### 4.06 Disclosures as required by Indian Accounting Standard (Ind AS) 108 Operating Segments

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

#### 4.07 Leases

##### (a) Lessee

Short term leases accounted in the Statement of Profit and Loss is ₹ 24.82 (March 31, 2021 ₹ 21.54).

##### (b) Lessor:

The right to use granted to joint venture/associate/subscribers and others in respect of Access devices are not classified as lease transactions as the same are not for an agreed period of time.

#### 4.08 Capital Management

The Company's financial strategy aims to support its enterprise priorities and to maintain an optimal capital structure so as to provide adequate capital to its businesses for growth and create sustainable stakeholder value. For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The principal source of funding of the Company is expected to be cash generated from its operations supplemented by funding from its Holding Company by way of equity or debt.

Consequent to such capital structure, the Company is not subject to any externally imposed capital requirements.

#### 4.09 Financial Instruments

##### (i) Methods & assumption used to estimates the fair values

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

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

- a) The carrying amounts of receivables and payables which are short term in nature such as loans to related party, trade receivables, security deposits, other bank balances, deposits, trade payables, payables for acquisition of non- current assets and cash and cash equivalents are considered to be the same as their fair values.
- b) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

##### (ii) Categories of financial instruments

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

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data

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Particulars	As at		As at	
	March 31, 2022		March 31, 2021	
	Carrying values	Fair value	Carrying values	Fair value
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Trade receivables	54.64	54.64	17.51	17.51
Loans	-	-	0.05	0.05
Cash and Bank balances	8.07	8.07	54.50	54.50
Other financial assets	42.88	42.88	31.60	31.60
<b>Total (A)</b>	<b>105.59</b>	<b>105.59</b>	<b>103.66</b>	<b>103.66</b>
<b>Measured at fair value through profit or loss</b>				
Investment in mutual funds	193.10	193.10	724.40	724.40
<b>Measured at fair value through Other Comprehensive Income</b>				
Investment in Mutual funds	394.11	394.11	-	-
Investment in Bonds	199.58	199.58	-	-
<b>Total (B)</b>	<b>786.79</b>	<b>786.79</b>	<b>724.40</b>	<b>724.40</b>
<b>Total Financial assets (A+B)</b>	<b>892.38</b>	<b>892.38</b>	<b>828.06</b>	<b>828.06</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings	0.05	0.05	29.55	29.55
Trade payables	205.14	205.14	165.16	165.16
Other financial liabilities	33.64	33.64	46.83	46.83
<b>Total financial liabilities</b>	<b>238.83</b>	<b>238.83</b>	<b>241.54</b>	<b>241.54</b>

#### Level wise disclosure of financial instruments

Particulars	As at		Level	Valuation techniques and key inputs
	March 31, 2022	March 31, 2021		
Investment in mutual funds	587.21	724.40	1	Closing Net Asset Value from Mutual Funds
Investment in Bond	199.58	-	2	Quote from Rating Agency

#### 4.10 Financial Risk Management

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

The business activities of the Company expose it to financial risks namely Credit risk, Liquidity risk and Market risk .

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(Formerly known as Hathway Digital Private Limited)

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(₹ in Crores unless otherwise stated)

#### 1 Credit risk

Credit risk arises from the possibility that counter party will cause financial loss to the company by failing to discharge its obligation as agreed.

The Company's exposure to credit risk arises mainly from the trade receivables, unbilled revenue, loans given, and financial guarantee contract.

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

The Company's major revenue streams arises from services provided to end use customers in the form of monthly subscription income and receivables from broadcasters for marketing & promotional income and incentive. The trade receivables and unbilled revenue on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. As the customer base is distributed economically and geographically, there is no concentration of credit risk. In case of receivables and unbilled revenue from the broadcasters for marketing & promotional income and incentive, as there is no independent credit rating of the broadcasters available with the Company, the management reviews the credit-worthiness of the broadcasters based on their financial position, past experience and other factors.

The Company follows a simplified approach (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring the lifetime ECL allowance for trade receivables, the Company uses a provision matrix. In addition, in case there are events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.

The Trade Receivables includes amount due from disconnected / inactive customers / LCOs with whom no inter-connect documents have been executed and outstanding in excess of one year. The Company is taking adequate steps for recovery of overdue debts and advances and wherever necessary, adequate provisions as per expected credit loss model have been made.

#### 2 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company liquidity risk management policies include to, at all times ensure sufficient liquidity to meet its liabilities when they are due, by maintaining adequate sources of financing from banks at an optimised cost whenever considered appropriate. In addition, processes and policies related to such risks are overseen by senior management. The Company's senior management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Maturities of financial liabilities

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

As at March 31, 2022	Less than 1 year	1 to 5 year	Total
<b>Non-Derivatives</b>			
Trade payables	205.14	-	205.14
Borrowings	-	0.05	0.05
Other financial liabilities	33.29	0.35	33.64
<b>Total</b>	<b>238.43</b>	<b>0.40</b>	<b>238.83</b>

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As at March 31, 2021	Less than 1 year	1 to 5 year	Total
<b>Non-Derivatives</b>			
Trade payables	165.16	-	165.16
Borrowings	1.51	28.04	29.55
Other financial liabilities	45.81	1.02	46.83
<b>Total</b>	<b>212.48</b>	<b>29.06</b>	<b>241.54</b>

The Company from time to time in its usual course of business issues financial guarantees to Holding company. The Company has issued corporate guarantee for debt of ₹ Nil (March 31, 2021: ₹ 7.00). The outflow in respect of these guarantees will arise only upon default of holding company. ₹ Nil (March 31, 2021: ₹ 7.00) is due for repayment within 1 year from the reporting date.

#### Financing arrangements

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

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

### 3 Market Risk

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

#### a) Market Risk – Foreign Exchange

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

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

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

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

#### Foreign Currency Exposure

	As at	As at
	March 31, 2022	March 31 2021
	USD	USD
<b>Liabilities</b>		
Trade payables	0.01	0.01

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#### Details of Unhedged Foreign Currency Exposure is as under:

	As at March 31, 2022		As at March 31, 2021	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
<b>Accounts Payables</b>				
USD	0.01	0.65	0.01	0.75
<b>Other Firm Commitments</b>				
USD	0.10	7.82	0.03	2.54

#### Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on Profit before tax and on other components of equity:

Particulars	Impact on Profit before tax: Increase/(Decrease)			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(0.01)	(0.01)	0.01	0.01

Particulars	Impact on other components of equity : (Increase)/Decrease			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(0.01)	(0.01)	0.01	0.01

#### b) Market Risk – Price Risk

The Company is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments. At March 31 2022, the investments in mutual funds is ₹ 587.20 (March 31, 2021 : ₹ 724.40) and in Bond is ₹ 199.58 (March 31,2021: ₹ Nil) .These are exposed to price risk. In order to minimise price risk arising from investments in mutual funds, the Company predominately invests in those mutual funds which have higher exposure to high quality debt instruments with adequate liquidity & no demonstrated track record of price volatility. Further in order to minimise price risk in bonds, the Company invests in high rated Debt instrument issued by large Corporates.

#### Price risk sensitivity:

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

	Impact on Profit: Increase/(Decrease)		Impact on equity : (Increase)/Decrease	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Price - increase by 0.10%**	0.79	0.72	0.79	0.72
Price - decrease by 0.10% **	(0.79)	(0.72)	(0.79)	(0.72)

\*\* assuming all other variables as constant

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4.11 The Details of Amounts Outstanding to Micro and Small Enterprises Based on available information with the Company is as under :

Particulars	March 31, 2022	March 31, 2021
Principal amount due and remaining unpaid	1.83	5.94

4.12 During the previous year, the Company has entered into a Business Transfer Agreement (BTA) with Visual Channel Services Private Limited for purchase of business of owning and operating Platform Service Channels by way of slump sale on going concern basis, with effect from March 10, 2021, for a total consideration of ₹ 0.01.

### 4.13 Revenue from contracts with customers

#### Disaggregation Of Revenue

	For the year ended	
	March 31, 2022	March 31, 2021
<b>Major service lines</b>		
Subscription income	744.52	725.19
Activation income	28.09	52.62
Marketing & Promotional income	293.08	219.91
Broadcaster's Incentive Income	74.17	55.70
Other operating revenue	19.55	45.21
	<b>1,159.41</b>	<b>1,098.63</b>

#### Contract Balances

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

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

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

Particulars	March 31, 2022	March 31, 2021
Receivables, which are included in 'Trade and other receivables'	54.64	17.51
Contract liabilities (Unearned Revenue)	6.15	7.12

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

Significant changes in the contract liabilities balances during the period are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
	Contract liabilities	Contract liabilities
Balance at the beginning of the year	7.12	7.15
Advance Income received from the customer during the year	6.15	7.12
Revenue recognised that is included in the contract liability balance at the beginning of the year	7.12	7.15
Balance at the end of the year	6.15	7.12

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#### 4.14 Ratio Analysis

Sr. No.	Particulars	Year Ended		% Variance	Remarks
		March 31, 2022	March 31, 2021		
1	Current Ratio	2.55	3.07	-17%	Current Ratio decreased due to movement from cash & cash equivalents and current investment to non current investment.
2	Debt-Equity Ratio	NA	0.02	-100%	Debt Equity Ratio is not applicable as the Company is debt free through the current financial year.
3	Debt Service Coverage Ratio	NA	4.73	-100%	Debt Service Coverage Ratio is not applicable as the Company is debt free through the current financial year.
4	Return on Equity Ratio	0.01	0.12	-88%	Return on Equity Ratio decreased due to reduction in profit on account of increase in Content Cost, Bandwidth & Leaseline, Commission, Repair & Maint (P&M), Rent, provisioning of Receivables of Certain Fellow Subsidiaries & Loss on stake Sale of Joint ventures and due to increase in average net worth.
5	Inventory Turnover Ratio	NA	NA	NA	-
6	Trade Receivables Turnover Ratio	32.14	35.53	-10%	Trade Receivables Turnover Ratio decreased due to Increase in Average Trade Receivables.
7	Trade Payables Turnover Ratio	5.20	4.79	8%	-
8	Net Capital Turnover Ratio	2.56	1.85	39%	Net Capital Turnover Ratio increased due to Reduction in Working Capital on account of movement from cash & cash equivalents and current investment to non current investment.
9	Net Profit Ratio	0.02	0.07	-73%	Net Profit Ratio decreased due to reduction in profit on account of increase in Content Cost, Bandwidth & Leaseline, Commission, Repair & Maint (P&M), Rent, provisioning of Receivables of Certain Fellow Subsidiaries & Loss on stake Sale of Joint ventures.
10	Return on Capital Employed (Excluding Working Capital Financing)	-0.01	0.04	-126%	Return on Capital Employed decreased due to increase in Average Capital Employed & reduction in Profit After Tax.
11	Return on Investment	0.06	0.04	74%	Return on Investment increased due to increase in Other Income due to Gain on disposal of Current Investments & higher Interest on Debt Fund.



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#### 4.14.1 Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payable}}$
8	Net Capital Turnover Ratio	$\frac{\text{Net Sales}}{\text{Working Capital}}$
9	Net Profit Ratio	$\frac{\text{Profit After Tax}}{\text{Value of Sales \& Services}}$
10	Return on Capital Employed (Excluding Working Capital Financing)	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income (-) Share of Profit / (Loss) of Associates and Joint Ventures}}{\text{Average Capital Employed}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents \& Other Marketable Securities}}$

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#### 4.15 Related Party Disclosures:

##### A. Names of related parties and related party relationship

<b>i) The company is controlled by the following entities:</b>	
Parent	Hathway Cable and Datacom Limited
Entities exercising control over parent	Reliance Industries Limited Reliance Industrial Investments and Holdings Limited * (Protector of Digital Media) Digital Media Distribution Trust Jio Content Distribution Holdings Private Limited \$ Jio Internet Distribution Holdings Private Limited \$ Jio Cable and Broadband Holdings Private Limited \$
<b>ii) Other Related parties :</b>	
Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	Channels India Network Private Limited Hathway Kokan Crystal Cable Network Limited Hathway Mantra Cable & Datacom Limited TV18 Broadcast Limited ^^ IndiaCast Media Distribution Private Limited ^^ Reliance Jio Infocomm Limited ^^ Den Networks Limited, ^^ Jio Haptik Technologies Limited ^^ Reliance Retail Limited ^^ Den Broadband Private Limited ^^ Reliance Projects & Property Management Services Limited ^^ Jio Platforms Limited ^^ Viacom 18 Media Private Limited ^^
Joint Ventures	Hathway CBN Multinet Private Limited (upto October 26, 2021) Hathway CCN Entertainment (India) Private Limited (upto October 25, 2021) Hathway Bhaskar CCN Multi Entertainment Private Limited Hathway CCN Multinet Private Limited (upto October 26, 2021)
Joint Ventures of Parent	Hathway Cable MCN Nanded Private Limited Hathway Channel 5 Cable & Datacom Private Limited Hathway Dattatray Cable Network Private Limited Hathway Digital Saharanpur Cable & Datacom Private Limited (upto December 15, 2020) Hathway ICE Television Private Limited Hathway Latur MCN Cable & Datacom Private Limited Hathway MCN Private Limited Hathway Palampur Cable Network Private Limited (upto February 11, 2021) Hathway Prime Cable & Datacom Private Limited Hathway Sai Star Cable & Datacom Private Limited Hathway Sonali OM Crystal Cable Private Limited Hathway SS Cable & Datacom LLP Net 9 Online Hathway Private Limited (upto March 18, 2021)
Associate	Hathway Bhawani Cabletel & Datacom Limited
Joint Venture of Associate	Hathway Bhawani NDS Network Limited
Associate of Subsidiary of Entities exercising Control Over Parent	Eenadu Television Private Limited
Associates of Parent	GTPL Hathway Limited Hathway VCN Cablenet Private Limited Pan Cable Services Private Limited
Trust	Hathway Digital Private Limited Employees Group Gratuity Trust
Key Management Personnel of Parent	Viren R Raheja Akshay R Raheja

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

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

^^ Subsidiary of Reliance Industries Limited

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( ₹ in Crores unless otherwise stated)

#### B. Related Party Transactions

Nature of Transaction	Name of Party	Relationship	March 31, 2022	March 31, 2021
<b>Income</b>				
Consultancy Income	Hathway Latur MCN Cable & Datacom Private Limited	Joint Venture of Parent	0.40	0.85
	Hathway Cable MCN Nanded Private Limited	Joint Venture of Parent	0.95	1.19
	Hathway MCN Private Limited	Joint Venture of Parent	2.60	2.70
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture of Parent	2.35	2.98
	Others	Joint Ventures	0.25	-
Subscription / Digital Income	IndiaCast Media Distribution Private Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	56.98	45.34
	Hathway MCN Private Limited	Joint Venture of Parent	10.52	10.75
	Others	Entities Exercising control	0.03	0.04
	Others	Associate of Subsidiary of Entities exercising Control Over Parent	0.00*	0.01
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	8.38	9.46
	Others	Associate	0.96	1.12
	Others	Joint Venture of Associate	0.39	0.44
	Others	Joint Venture of Parent	8.73	9.68
Service Charges (Income)	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture of Parent	0.01	0.00*
Service Charges (Salary Recovered)	Den Networks Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.94	-
Interest Income on Loan	Hathway Bhawani Cabletel & Datacom Limited	Associate	-	0.07
Sales - STB / Parts and Accessories	Den Networks Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	2.47	1.40
	Hathway Mantra cable & Datacom Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.67	0.68
	Hathway MCN Private Limited	Joint Venture of Parent	0.86	1.36
	Hathway Dattatray Cable Network Private Limited	Joint Venture of Parent	0.74	0.91
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture of Parent	1.06	1.06
	Hathway Cable and Datacom Limited	Parent	4.90	0.39
	Others	Associate	0.07	0.31
	Others	Joint Venture of Associate	0.03	0.04
	Others	Joint Venture of Parent	0.51	0.75

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#### B. Related Party Transactions

Nature of Transaction	Name of Party	Relationship	March 31, 2022	March 31, 2021
Business Support Services	Hathway Cable and Datacom Limited	Parent	0.02	0.01
	Hathway Bhawani Cabletel And Datacom Limited	Associate	0.01	0.01
	Hathway Kokan Crystal Cable Network Private Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.01	0.01
	Hathway Mantra cable & Datacom Private Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.01	0.01
	Hathway MCN Private Limited	Joint Venture of Parent	0.01	0.01
	Hathway Cable MCN Nanded Private Limited	Joint Venture of Parent	0.01	0.04
	Hathway Latur MCN Cable & Datacom Private Limited	Joint Venture of Parent	0.01	0.04
Incentive	TV18 Broadcast Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	10.17	7.51
	Eenadu Television Private Limited	Associate of Subsidiary of Entities exercising Control Over Parent	6.29	3.65
Lease Line charges recovered	Hathway Cable MCN Nanded Private Limited	Joint Venture of Parent	0.23	0.18
	Hathway Latur MCN Cable & Datacom Private Limited	Joint Venture of Parent	0.34	0.58
	Hathway MCN Private Limited	Joint Venture of Parent	0.61	0.43
	Hathway CCN Entertainment (India) Private Limited	Joint Venture	0.20	-
	Hathway CBN Multinet Private Limited	Joint Venture	0.21	-
	Others	Joint Venture	0.09	-
Lease Income	Den Networks Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.16	0.12
Software Charges recovered	Den Networks Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	1.50	1.43
Advertisement	Viacom 18 Media Private Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.09	0.27
Allowance for Bad and Doubtful Debts Reversal	Hathway Dattatray Cable Network Private Limited	Joint Venture of Parent	4.02	2.23
	Others	Joint Venture of Parent	-	0.21
	Hathway CCN Multinet Private Limited	Joint Venture	2.17	-
	GTPL Hathway Limited	Associate of Parent	2.23	-
	Hathway CCN Entertainment (India) Private Limited	Joint Venture	0.54	-

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( ₹ in Crores unless otherwise stated)

#### B. Related Party Transactions

Nature of Transaction	Name of Party	Relationship	March 31, 2022	March 31, 2021
<b>Expenses</b>				
Feed Charges	Hathway Mantra Cable & Datacom Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	3.12	3.66
	Hathway MCN Private Limited	Joint Venture of Parent	7.23	6.83
	Hathway Cable MCN Nanded Private Limited	Joint Venture of Parent	2.03	2.25
	Others	Joint Ventures	-	0.11
	Others	Joint Ventures of Parent	3.94	4.28
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.62	0.63
	Others	Associate	0.24	0.29
	Others	Joint Venture of Associate	0.16	0.18
Purchase - STB / Parts and Accessories	Den Networks Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	5.39	-
	Reliance Retail Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.01	4.46
	Others	Parent	0.02	-
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.00	0.06
Distributors Commission	Hathway Bhawani Cabletel & Datacom Limited	Associate	1.09	1.23
Pay Channel Cost	TV18 Broadcast Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	88.79	78.38
	Eenadu Television Private Limited	Associate of Subsidiary of Entities exercising Control Over Parent	15.50	12.74
Equipment Lease	Hathway Bhawani Cabletel & Datacom Limited	Associate	0.30	0.30
Lease	Viren R Raheja	Key Management Personnel of Parent	1.34	1.48
	Akshay R Raheja	Key Management Personnel of Parent	1.34	1.48
	Den Networks Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	1.30	0.40
	Others	Parent	0.01	0.01
Bad Debts Written Off	Hathway Dattatray Cable Network Private Limited	Joint Venture of Parent	-	2.00
	Hathway CCN Entertainment (India) Private Limited	Joint Venture	0.81	-
	Hathway CCN Multinet Private Limited	Joint Venture	0.83	-
Advances Written Off	Hathway CCN Multinet Private Limited	Joint Venture	1.63	10.52
Impairment of Doubtful Advances / Receivables	Hathway Mantra Cable & Datacom Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	10.04	-
	Others	Associate of Parent	0.32	-
	Others	Joint Venture of Parent	0.25	-
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.77	-

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### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

#### B. Related Party Transactions

Nature of Transaction	Name of Party	Relationship	March 31, 2022	March 31, 2021
Contribution to Gratuity Fund	Hathway Digital Private Limited Employees Group Gratuity Trust	Trust	0.44	0.20
Lease Line Cost	Reliance Jio Infocomm Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	20.11	15.54
	Others	Parent	-	0.00*
Business Support Expenses	Hathway Cable and Datacom Limited	Parent	0.07	0.09
Purchase of Asset (Licence Fees)	Jio Haptik Technologies Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.03	0.27
Service Charges Expense	Jio Platforms Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	2.79	2.89
	Den Networks Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	1.27	0.30
	Reliance Projects & Property Management Services Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.80	-
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	-	0.24
Exceptional Item	Hathway Mantra Cable and Datacom Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	10.04	
	Hathway Konkan Crystal Cable Network Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.77	-

Change in Assets / Liabilities during the year				
Investments Sold	Hathway CBN Multinet Private Limited	Joint Venture	1.05	-
	Hathway CCN Entertainment (India) Private Limited	Joint Venture	3.69	-
	Hathway CCN Multinet Private Limited	Joint Venture	6.16	-
Allowance for Bad and Doubtful Debts/ Reversal	Hathway Dattatray Cable Network Private Limited	Joint Venture of Parent	(4.02)	(2.23)
	Hathway Mantra Cable and Datacom Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	10.04	-
	Hathway Konkan Crystal Cable Network Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.77	1.89
	Others	Joint Venture of Parent	0.25	(0.21)
	Others	Associate of Parent	0.32	-
	Hathway CCN Multinet Private Limited	Joint Venture	(2.17)	-
	GTPL Hathway Limited	Associate of Parent	(2.23)	-
	Hathway CCN Entertainment (India) Private Limited	Joint Venture	(0.54)	-

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

#### B. Related Party Transactions

Nature of Transaction	Name of Party	Relationship	March 31, 2022	March 31, 2021
Net Advance/ Trade receivable/ Trade Payable recovered/ Paid	TV18 Broadcast Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	-	4.90
	Others	Entities exercising control over parent	0.01	-
	Hathway Bhawani Cabletel and Datacom Limited	Associate	0.90	0.35
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.09	2.11
	Others	Joint Venture of Associate	0.02	0.00*
	Others	Joint Venture	-	1.40
	Others	Joint Venture of Parent	3.14	0.03
	Others	Associate of Parent	-	2.41
Net Advance/ Trade receivable/ Trade Payable made	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture of Parent	0.11	1.17
	Hathway Latur MCN Cable & Datacom Private Limited	Joint Venture of Parent	-	0.62
	IndiaCast Media Distribution Private Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	7.81	0.64
	TV18 Broadcast Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	10.97	-
	Reliance JIO Infocomm Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	6.18	-
	Others	Parent	0.00	-
	Others	Entities exercising control over parent	-	0.01
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	4.73	0.26
	Others	Associate of Subsidiary of Entities exercising Control Over Parent	4.45	0.38
	Others	Joint Venture of Parent	0.25	0.65
Loan taken	Hathway Cable and Datacom Limited	Parent	-	0.64
Loans Repaid	Hathway Cable and Datacom Limited	Parent	29.58	-
Loans Recovered	Hathway Bhawani Cabletel & Datacom Limited	Associate	-	1.20

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

#### B. Related Party Transactions

Nature of Transaction	Name of Party	Relationship	March 31, 2022	March 31, 2021
<b>Closing Balances</b>				
Investments	Hathway CBN Multinet Private Limited	Joint Venture	-	1.05
	Hathway CCN Entertainment (India) Private Limited	Joint Venture	-	3.69
	Hathway CCN Multinet Private Limited	Joint Venture	-	6.16
	Hathway Bhaskar CCN Multi Entertainment Private Limited	Joint Venture	0.01	0.01
	Hathway Bhawani Cabletel & Datacom Limited	Associate	2.46	2.46
Allowance for Investments	Hathway Bhawani Cabletel & Datacom Limited	Associate	0.62	0.62
	Hathway Bhaskar CCN Multi Entertainment Private Limited	Joint Venture	2.70	2.70
Loans & Advance given	Hathway CCN Multinet Private Limited	Joint Venture	-	1.63
	Hathway VCN Cablenet Private Limited	Associate of Parent	5.50	5.50
	Pan Cable Services Private Limited	Associate of Parent	0.59	0.59
Allowance for Bad & Doubtful Advance	Hathway VCN Cablenet Private Limited	Associate of Parent	5.50	5.50
	Pan Cable Services Private Limited	Associate of Parent	0.59	0.59
	Hathway CCN Multinet Private Limited	Joint Venture	-	1.63
Allowance for Bad & Doubtful Debt	Hathway Mantra Cable & Datacom Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	15.44	5.41
	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture of Parent	3.81	-
	Hathway Dattatray Cable Network Private Limited	Joint Venture of Parent	-	4.69
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	3.99	3.22
	Others	Joint Venture	-	4.47
	Others	Joint Venture of Parent	5.89	8.78
	Others	Associate of Parent	1.78	3.69
Trade Receivables	Hathway Mantra Cable & Datacom Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	16.37	15.18
	Indiacast Media Distribution Pvt Ltd	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	14.00	6.19
	Others	Entities exercising control over parent	0.00*	0.01
	Others	Parent	0.00*	-
	Others	Associate of Subsidiary of Entities exercising Control Over Parent	3.12	0.71
	Others	Associate of Parent	1.78	1.46
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	8.25	5.76
	Others	Associate	0.88	1.75
	Others	Joint Venture	-	2.16
	Others	Joint Venture of Parent	9.74	12.78



## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

#### B. Related Party Transactions

Nature of Transaction	Name of Party	Relationship	March 31, 2022	March 31, 2021
Trade Payables	TV18 Broadcast Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	23.00	14.02
	Eenadu Television Private Limited	Associate of Subsidiary of Entities exercising Control Over Parent	5.10	2.48
	Reliance Jio Infocomm Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	8.55	2.37
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	3.12	0.47
	Others	Joint Venture		0.02
	Others	Joint Venture of Associate	0.01	0.02
	Others	Joint Venture of Parent	1.35	1.03
Unbilled Revenue	Indiacast Media Distribution Pvt Ltd	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	-	0.36
	Hathway Mantra Cable & Datacom Limited	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.30	0.26
	Hathway MCN Private Limited	Joint Venture of Parent	0.21	0.25
	Hathway Cable MCN Nanded Private Limited	Joint Venture of Parent	0.23	0.24
	Hathway Latur MCN Cable & Datacom Private Limited	Joint Venture of Parent	0.16	0.17
	Eenadu Television Private Limited	Associate of Subsidiary of Entities exercising Control Over Parent	0.26	-
	Others	Fellow Subsidiaries / Subsidiaries of Entities exercising control over parent	0.08	0.07
	Others	Associate	0.06	0.08
	Others	Joint Venture of Associate	0.02	0.03
Borrowings	Hathway Cable and Datacom Limited	Parent	-	30.22
Security Deposits (Received)	Hathway Cable MCN Nanded Private Limited	Joint Venture of Parent	0.02	0.02
Security Deposits (Given)	Viren R Raheja	Key Management Personnel of Parent	1.84	1.84
	Akshay R Raheja	Key Management Personnel of Parent	1.84	1.84

\* Amount less than 50000

The Company had issued in 5% Non cumulative Redeemable Preference shares aggregating to ₹ 0.05 (March 31, 2021 : ₹ 0.05). The Company has given Corporate financial Guarantees of ₹ Nil (March 31, 2021 : ₹ 7.00) on behalf of Hathway Cable and Datacom Limited.

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

(₹ in Crores unless otherwise stated)

**4.16** The Regional Director, Western Region has approved the Scheme of Merger ('the Scheme') vide its order dated December 3, 2021 having effect from the Appointed Date i.e. April 1, 2021. Pursuant thereto Merger of Hathway Krishna Cable Limited, Hathway Mysore Cable Network Limited, Hathway Software Developers Limited, UTN Cable Communications Limited, Hathway New Concept Cable & Datacom Limited, Hathway Cnet Limited, Hathway Gwalior Cable & Datacom Limited, Ideal Cables Limited, Bee Network And Communication Limited, Binary Technology Transfers Limited, Hathway Broadband Limited, Hathway Enjoy Cable Network Limited, Hathway Internet Satellite Limited, Hathway JMD Farukhabad Cable Network Limited, Hathway Media Vision Limited, Hathway Space Vision Cabletel Limited, Hathway United Cables Limited, ITV Interactive Media Limited, Liberty Media Vision Limited, Vision India Network Limited, Win Cable and Datacom Limited, Hathway Digital Saharanpur Cable & Datacom Limited, into the Company have been recognised by applying Pooling of Interest method as laid down in Appendix C of Indian Accounting Standard (Ind AS) 103 – 'Business Combinations' relating to accounting for common control business combinations.

As this is a business combination of entity under common control, the amalgamation has been accounted using 'pooling of Interest' method (in accordance with the approved scheme). The figures for the previous periods have been recast as if the amalgamation had occurred from the beginning of the preceding period to harmonise the accounting for the scheme with the requirements of Appendix C of Ind AS 103 on Business Combinations. The following Assets, Liabilities, Income and Expense are included (after eliminating the intercompany balances) in the financial statements of the Company for the periods presented below:

	March 31, 2022	March 31, 2021
Assets	52.20	73.79
Liabilities	23.72	33.65
<b>Net Assets</b>	<b>28.48</b>	<b>40.14</b>
Income	22.50	33.73
Expense	3.03	5.97

**4.17** Additional Regulatory Information detailed in clause 6L of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

#### 4.18 RECENT PRONOUNCEMENTS

'On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

- i. Ind AS 103 – Business Combination
- ii. Ind AS 109 – Financial Instrument
- iii. Ind AS 16 – Property, Plant and Equipment
- iv. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Application of above standards are not expected to have any significant impact on the company's financial statements.

## Hathway Digital Limited

(Formerly known as Hathway Digital Private Limited)

### Notes To The Standalone Financial Statements For The Year Ended March 31, 2022

( ₹ in Crores unless otherwise stated)

**4.19** Previous year's figures have been rearranged / regrouped, wherever necessary.

**As per our report of even date**

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

Chartered Accountants

Firm Registration No. 104767W

**For and on behalf of the Board of Directors**

**Mr. Atul Shah**

Partner

Membership No. 039569

Place : Mumbai

Date : April 11, 2022

**Mr. Dulal Banerjee**

Non-Executive  
Director & Chief

DIN : 02455932

**Mr. Ajay Singh**

Non-Executive Director

DIN : 06899567

**Ms. Pranjali Gawde**

Chief Financial Officer

**Ms. Ameeta Parpia**  
Independent Director

DIN : 02654277

**Mr. Varun Laul**  
Non-Executive Director

DIN : 03489931

**Ms. Niki Shah**

Company Secretary and Compliance officer

Membership No: A35879

Dated : April 11, 2022

**Mr. Kunal Chandra**

Independent Director

DIN : 07617184