

INDEPENDENT AUDITOR'S REPORT

Annexure - 15B

TO THE MEMBERS OF HATHWAY BROADBAND PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of HATHWAY BROADBAND PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

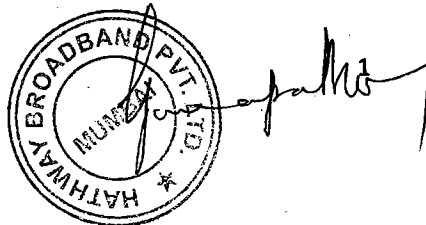
Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



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We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

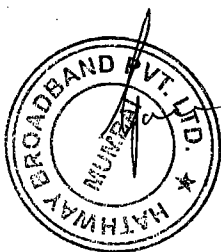
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profits and its cash flows for the year ended on that date.

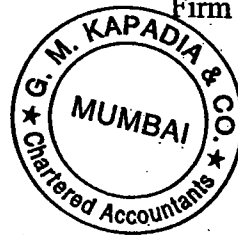
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation, which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



Atul Shah

Atul Shah
Partner

Membership No. 039569

Mumbai

Dated: 13 MAY 2015



ANNEXURE TO THE AUDITOR'S RPEORT

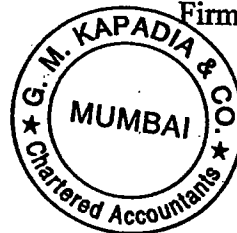
(Referred to in Paragraph 1 under "Other Legal and Regulatory Requirements" of our report of even date)

- i. As explained to us the Company did not have any fixed assets, hence sub-clause (a) regarding maintenance of Fixed Asset Record sub-clause (b) regarding procedure of physical verification and material discrepancies on physical verification and treatment in books, of clause (i) of paragraph 3 are not applicable;
- ii. The Company's nature of operations does not require it to hold inventories. Consequently, clause (ii) of paragraph 3 of the Order regarding physical verification of inventories and maintenance of records is not applicable;
- iii. The Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Act. According to the information and explanation given to us, no repayment schedule has been specified and accordingly, the question of regularity in repayment of principal amount does not arise;
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regards to purchase of fixed assets and for sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls system;
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions contained in sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under are not applicable to the Company. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal;
- vi. The provisions of clause (vi) of paragraph 3 of the Order relating to maintenance of cost records are not applicable;
- vii. (a) Based on the records produced before us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of outstanding statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable;



- (b) According to the information and explanation given to us, there are no outstanding disputed dues payable by the Company in case of income tax, wealth tax, sales tax, duty of customs, service tax, duty of excise, value added tax and cess as on March 31, 2015;
- (c) According to the information and explanation given to us, no amounts were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder. Therefore, the provisions of clause (vii)(c) of paragraph 3 of the Order relating to transfer of amount to investor education and protection fund is not applicable;
- viii. The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty percent or more of its net worth and whether it has incurred cash losses in the current and immediately preceding financial year;
- ix. The company has not borrowed from any financial institutions or banks, or by issue of debentures. Therefore the clause (ix) of paragraph 3 of the Order is not applicable to the company;
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions;
- xi. The company has not taken any term loan and therefore the clause (xi) of paragraph 3 of the Order is not applicable to the company; and
- xii. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period.

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



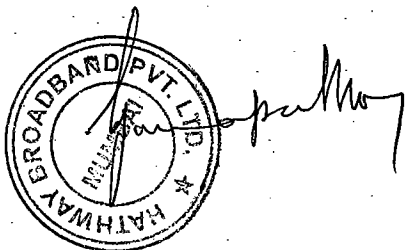
Atul Shah

Atul Shah
Partner

Membership No. 039569

Mumbai

Dated: 13 MAY 2015



HATHWAY BROADBAND PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2015

CIN : U74999MH2014PTC257407

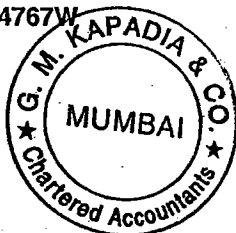
	Notes	As at March 31, 2015 Rupees
<u>EQUITY AND LIABILITIES</u>		
Shareholders' Funds		
Share Capital	2.01	25,000,000
Reserves and Surplus	2.02	74,065
Current Liabilities		
Other Current Liabilities	2.03	13,000
Short-Term Provisions	2.04	105,630.00
		25,192,695
<u>ASSETS</u>		
Current Assets		
Cash and Bank Balances	2.05	999,944
Short-Term Loans & Advances	2.06	24,192,751
		25,192,695

As per our report of even date

For GM Kapadia & Co
Chartered Accountants
Firm Registration No. : 104767W



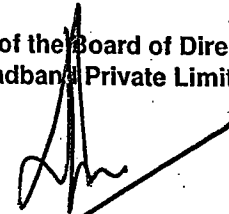
Atul Shah
Partner
Membership No : 039569



For and on behalf of the Board of Directors
of Hathway Broadband Private Limited



Vineet Garg
Directors
DIN : 06935347

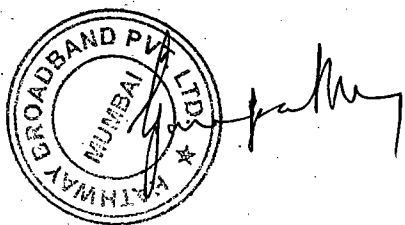


Jagdishkumar Pillai
Directors
DIN : 00036481

Mumbai
Dated : **13 MAY 2015**

Mumbai
Dated : **13 MAY 2015**

Mumbai
Dated : **13 MAY 2015**



STATEMENT OF PROFIT AND LOSS FROM AUGUST 21, 2014 TO MARCH 31, 2015

CIN :U74999MH2014PTC257407

	Notes	Period From August 21, 2014 to March 31, 2015 Rupees
INCOME		
Other Income	3.01	664,111
		664,111
EXPENDITURE		
Other Expenses	3.02	484,416
		484,416
Net Profit / (Loss) before Tax		179,695
Tax Expense:		
Current Tax		105,630
Net Profit / (Loss) for the Year from Continuing Operations		74,065
Earnings per equity share (nominal value of share Rs. 10 each) from Continuing and Total operation		
Weighted Average Number of Shares		2,500,000
Earning / (Loss) Per Share (In Rs.) - Basic		0.03
Weighted Average Number of Shares - Diluted		2,500,000
Earning / (Loss) Per Share (In Rs.) - Diluted		0.03
Summary of Significant Accounting Policies	1.00	
Refer accompanying notes. These notes are integral part of the financial statements.		

As per our report of even date

For GMK Kapadia & Co

Chartered Accountants

Firm Registration No. : 104767W

Atul Shah

Atul Shah

Partner

Membership No : 039569



For and behalf of the Board of Directors of
Hathway Broadband Private Limited

Vinnet Garg

Vinnet Garg
Director

DIN : 06935347

Jagdishkumar Pillai

Jagdishkumar Pillai
Director

DIN : 00036481

Mumbai

Dated :

13 MAY 2015

Mumbai

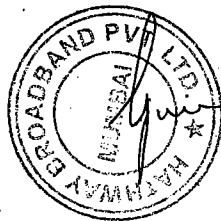
Dated :

13 MAY 2015

Mumbai

Dated :

13 MAY 2015



Jagdishkumar Pillai

HATHWAY BROADBAND PRIVATE LIMITED
CASH FLOW STATEMENT FROM AUGUST, 21 2014 TO MARCH 31, 2015
CIN :U74999MH2014PTC257407

Particulars	Period from August 21, 2014 to March 31, 2015
	Rupees
1 CASH FLOW FROM OPERATING ACTIVITIES:	
NET PROFIT / (LOSS) BEFORE TAX & PRIOR PERIOD ADJUSTMENTS	179,695
A Adjustment for :	
i Non Cash Charges	
Incorporation Expenses	471,360
ii Item Considered Separately	
Interest Income from Loan	(664,111)
Operating Profit Before Working Capital	(13,056)
Net Cash Used in Working Capital	13,000
Cash Generated from Operations	(56)
Taxes paid (Net)	66,412
Net Cash from Operation Activities (A)	(66,468)
2 CASH FLOW FROM INVESTING ACTIVITIES:	
Loans and Advances Given	(24,126,339)
Interest on Loan Given	664,111
Net cash flow from/ (used in) Investing activity (B)	(23,462,228)
2 CASH FLOW FROM FINANCING ACTIVITIES	
Issue of Share Capital (Including Premium)	25,000,000
Share Issue Expenses	(471,360)
Net cash Realised from Financing Activities (C)	24,528,640
Net increase in Cash and Cash equivalent (A+B+C)	999,944
Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year	-
Cash & Cash equivalents (Net of Book Overdraft) at the end of year	999,944
Components of cash and cash equivalents	
Balances with banks:	
In Current Accounts	999,944
Cash in hand	-
Total cash and cash equivalents	999,944

Note:

- 1) Above Statement has been prepared by using Indirect method as per AS-3 on Cash Flow Statements.
- 2) Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash in hand, demand deposits with banks and other short-term

As per our report of even date

For GMK Kapadia & Co.

Chartered Accountants

Firm Registration No. : 104767W

Atul Shah

Atul Shah
Partner

Membership No : 039569



For and on behalf of the Board of Directors of
Hathway Broadband Private Limited

Vineet Garg

Vineet Garg
Directors
DIN : 06935347

Jagdishkumar Pillai

Jagdishkumar Pillai
Directors
DIN : 00036481

Mumbai

Dated : 13 MAY 2015

Mumbai

Dated

13 MAY 2015

Mumbai

Dated :

13 MAY 2015



HATHWAY BROADBAND PRIVATE LIMITED

Significant accounting policies and notes on accounts

Company overview

Hathway Broadband Private Limited is a Private Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 on August 21, 2014.

1.00 Summary of significant accounting policies

1.01 METHOD OF ACCOUNTING AND BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, on the basis of going concern under the historical cost convention and also on accrual basis. The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act, 2013 (the Act), read together with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. In accordance with first proviso to section 129(1) of the Act and clause 6 of the General Instructions given in Schedule III to the Act, the terms used in these financial statements are in accordance with the Accounting Standards as referred to herein.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

1.02 USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.

1.03 FIXED ASSETS

There is no fixed assets in the Company in financial year ending on 31st March 2015

1.04 DEPRECIATION / AMORTISATION

Since there is no fixed asset (tangible/intangible) in the company, there is no depreciation/amortization for the period.

1.05 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are reviewed on each balance sheet date and are adjusted to effect the current best estimation.

b) Contingent liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of:

(i) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.

(ii) a possible obligation, unless the probability of outflow of resources is remote.

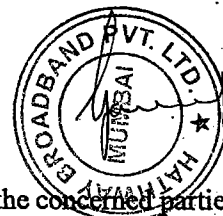
c) Contingent Assets are neither recognized nor disclosed.

1.06 REVENUE RECOGNITION

Income from Loan is recognized on accrual basis on agreements / arrangements with the concerned parties

1.08 TAXATION

Provision for Current Tax is made on the basis of taxable profits computed for the current accounting year in accordance with the Income Tax Act, 1961.



Significant accounting policies and notes on accounts

1.09 EARNINGS PER SHARE (EPS)

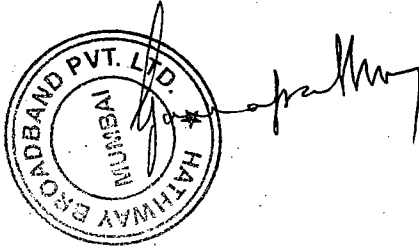
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

1.10 IMPAIRMENT

The Company assesses at each balance sheet whether there is any indication that assets may be impaired. If any such indications exist, the Company estimates the recoverable amount of the assets or the cash-generating unit and if the same is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets are reflected at the recoverable amount.

Signature



NOTES TO THE FINANCIAL STATEMENTS

2.01 SHARE CAPITAL	As at March 31,	
	2015	
	Rupees	
SHARE CAPITAL		
Authorised Capital 30,00,000 Equity Shares of Rs. 10 each		30,00,000
		30,00,000
Issued, Subscribed and Paid up Capital 25,00,000 Equity Shares of Rs. 10 each fully paid-up		25,00,000
		25,00,000

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

	As at March 31,	
	2015	
	Number	Amount
Equity Shares of Rs.10 each		
Shares Outstanding at the beginning of the year	-	-
Shares Issued during the year	2,500,000	25,00,000
Shares Issued during the year under Preferential allotment	-	-
Shares Bought back/ Other movements during the year	-	-
Shares Outstanding at the end of the year	2,500,000	25,00,000

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

	As at March 31,	
	Mar-2015	
	No. of Shares held	% of Holding
Equity Shares of Rs. 10 each		
Hathway Cable and Datacom Limited	2,500,000	100.00%

c) Rights, Preference and restrictions attached to Shares;

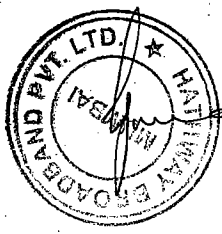
Terms/ Rights attached to Equity Shares

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

2.02 RESERVES & SURPLUS

	As at March 31,	
	2015	
	Rupees	
Surplus/ (Deficit) In the Statement of Profit and Loss		
Balance at the beginning of the year		-
Add : Net Profit/ (Loss) for the year		74,065
Less : Appropriations		-
Surplus in the Statement of Profit and Loss		74,065
		74,065

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HATHWAY BROADBAND PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

2.03 OTHER CURRENT LIABILITIES	Non-Current	Current
	As at March 31,	As at March 31,
	2015	2015
Other Liabilities	-	13,000
	-	13,000
	-	13,000

2.04 SHORT TERM PROVISIONS	Long - Term	Short - Term
	As at March 31,	As at March 31,
	2015	2015
Income Tax Provision	-	105,630
	-	105,630

2.05 CASH AND BANK BALANCES	Non-Current	Current
	As at March 31,	As at March 31,
	2015	2015
Cash & Cash Equivalents		
Balances with banks:		
In Current Accounts	-	999,944
Cash in hand	-	-
	-	999,944

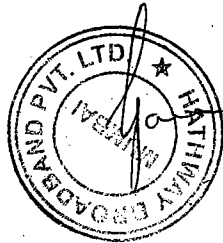
2.06 LOANS AND ADVANCES	Long - Term	Short - Term
	As at March 31,	As at March 31,
	2015	2015
<u>LOANS AND ADVANCES TO RELATED PARTIES</u>		
Unsecured, considered good unless stated otherwise		
Loans Given	-	24,126,339
<u>OTHER LOANS AND ADVANCES</u>		
Advance Income Tax	-	66,412
	-	24,192,751
	-	24,192,751



NOTES TO THE FINANCIAL STATEMENTS

3.01 OTHER INCOME	March 31, 2015
Interest on Loans	664,111
	664,111

3.02 OTHER EXPENSES	March 31, 2015
Bank Charges	56.18
Incorporation Expenses	471,360
Auditor's Remuneration - Statutory Audit Fees	13,000
	484,416



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HATHWAY BROADBAND PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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

Particulars	Period from August 21, 2014 to March 31,
	Rupees
Contingent Liabilities	Nil
Claims against the Company not acknowledged, as debt	Nil
Capital & Other Commitments	Nil

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

Particulars	Period from August 21, 2014 to March 31, 2015
	Rupees
a) Value of Imports calculated on CIF basis	Nil
b) Expenditure in foreign currency on accrual basis	Nil
c) Earnings in foreign currency on accrual basis	Nil

4.3 Related Party Disclosure:

List of Related Parties:

Controlled By:

Hathway Cable & Datacom Limited

Transactions with Related Party:

Particulars	Period from August 21, 2014 to March 31, 2015
	Rupees
<u>INCOME</u>	
<u>Interest Income</u>	
Hathway Cable and Datacom Limited	664,111
	664,111
<u>TRANSACTION DURING THE YEAR</u>	
<u>Loans & Advances</u>	
Hathway Cable & Datacom Limited	24,000,000
	24,000,000
<u>CLOSING BALANCES</u>	
Hathway Cable & Datacom Limited	24,126,339
	24,126,339

Details of Debits \ Credits in the nature of reimbursement are not included in the above statement

4.4 Employee Benefits:


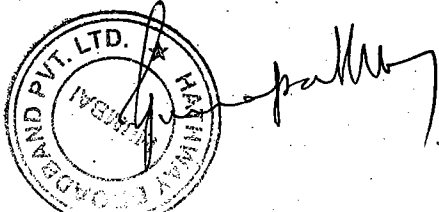
The Company does not have any employee. Accordingly, no disclosure in terms of AS 15 (Revised) on the Employee Benefits is required.

4.5 The Company does not have any leasing arrangements in terms of Accounting Standard on "Leases" (AS19)


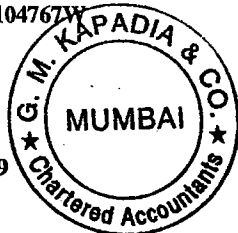

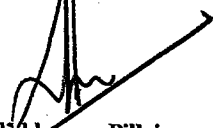
4.6 Disclosure Under MSME Development Act 2006:

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

4.7 As the Company's business activity falls within a single Primary Business Segment and one Geographical Segment, as per Accounting Standard 17 on 'Segment Reporting' disclosure requirements are not applicable.

4.8 The Company has been incorporated on August 21, 2014. This being the first year of operations, figures to the previous period are not given.

As per our report attached For GMK Kapadia & Co. Chartered Accountants Firm Registration No. : 104767W	 Atul Shah Partner Membership No : 039569		 Vineet Garg Director DIN : 06935347	For and on behalf of the Board of Directors of Hathway Broadband Private Limited	 Jagdishkumar Pillai Director DIN : 00036481
Mumbai Dated : 13 MAY 2015	Mumbai Dated : 13 MAY 2015	Mumbai Dated : 13 MAY 2015			

