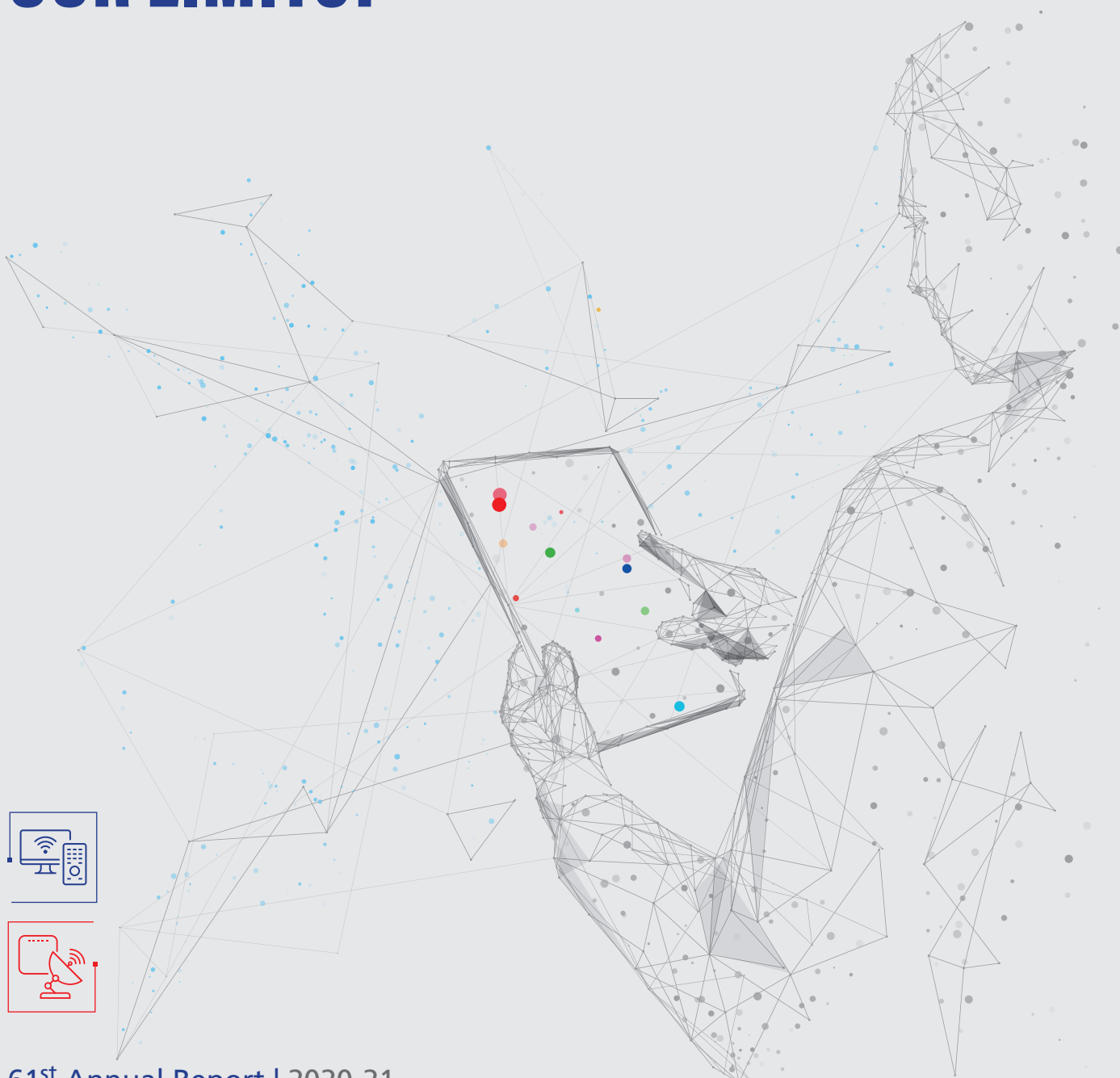


# WHEN PUSHED TO THE LIMIT... WE PUSHED OUR LIMITS!

**hathway**  
Broadband Internet  
THE INTERNET OF TOMORROW, TODAY



61<sup>st</sup> Annual Report | 2020-21  
Hathway Cable and Datacom Limited

# WHAT'S INSIDE

## 01-31

### CORPORATE OVERVIEW

Corporate Information	01
When Pushed to the Limit... We Pushed our Limits!	02
Strategic Communiqué from the MD	04
Welcome to the Hathway World	06
Our Business Segment Strengths	10
Pulling on Strengths to Push Growth	16
When Push Came to Shove... We Pushed to Reinvent Ourselves!	24
How We Pushed our Limits...	28
Mapping the GTPL Hathway Performance	30

## 33-99

### STATUTORY REPORTS

Notice	33
Directors' Report	45
Management Discussion & Analysis	66
Corporate Governance Report	77

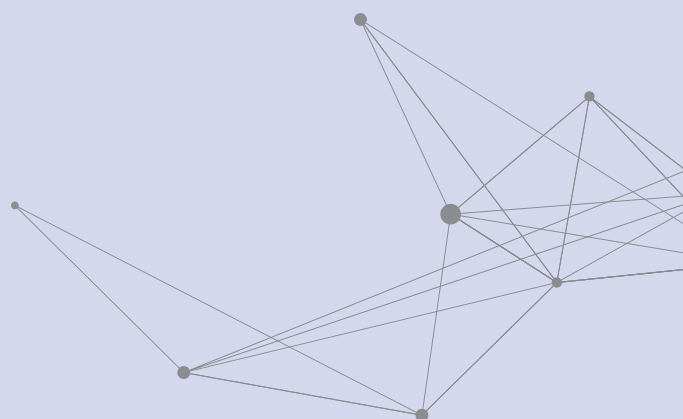
## 100-224

### FINANCIAL STATEMENTS

Standalone Financial Statements	100
Consolidated Financial Statements	159



To download or to read this report online, please log on to [www.hathway.com](http://www.hathway.com)



# Corporate Information

## BOARD OF DIRECTORS

Mr. Sridhar Gorthi  
*DIN: 00035824*  
Chairman and Independent Director

Mr. Sasha Mirchandani  
*DIN: 01179921*  
Independent Director

Ms. Ameeta Parpia  
*DIN: 02654277*  
Independent Director

Mr. Akshay Raheja  
*DIN: 00288397*  
Non-Executive Director

Mr. Viren Raheja  
*DIN: 00037592*  
Non-Executive Director

Mr. Saurabh Sancheti  
*DIN: 08349457*  
Non-Executive Director

Mr. Anuj Jain  
*DIN: 08351295*  
Non-Executive Director

Ms. Geeta Fulwadaya  
*DIN: 03341926*  
Non-Executive Director

Mr. Rajan Gupta  
*DIN: 07603128*  
Managing Director

## CHIEF FINANCIAL OFFICER

Mr. Sitendu Nagchaudhuri

## HEAD CORPORATE LEGAL, COMPANY SECRETARY AND CHIEF COMPLIANCE OFFICER

Mr. Ajay Singh  
FCS No.: 5189

## REGISTERED OFFICE

"Rahejas", 4<sup>th</sup> Floor,  
Corner of Main Avenue &  
V. P. Road, Santacruz (W),  
Mumbai - 400 054.  
Tel No.: (022) 26001306;  
Fax No.: (022) 26001307  
CIN: L64204MH1959PLC011421

## CORPORATE OFFICE

805/806, Windsor, 8<sup>th</sup>  
Floor, Off CST Road,  
Kalina, Santacruz East,  
Mumbai - 400 098.  
Tel No.: (022) 67742500;  
Fax No.: (022) 67742400  
Website: [www.hathway.com](http://www.hathway.com)  
Email: [info@hathway.net](mailto:info@hathway.net)

## STATUTORY AUDITORS

Nayan Parikh & Co.,  
Chartered Accountants

## SECRETARIAL AUDITORS

Rathi and Associates,  
Company Secretaries

## COST AUDITORS

Ashok Agarwal & Co., Cost Accountants

## INTERNAL AUDITORS

Group internal audit cell, co-sourced  
with professional firms of  
Chartered Accountants

## ADVOCATES AND SOLICITORS

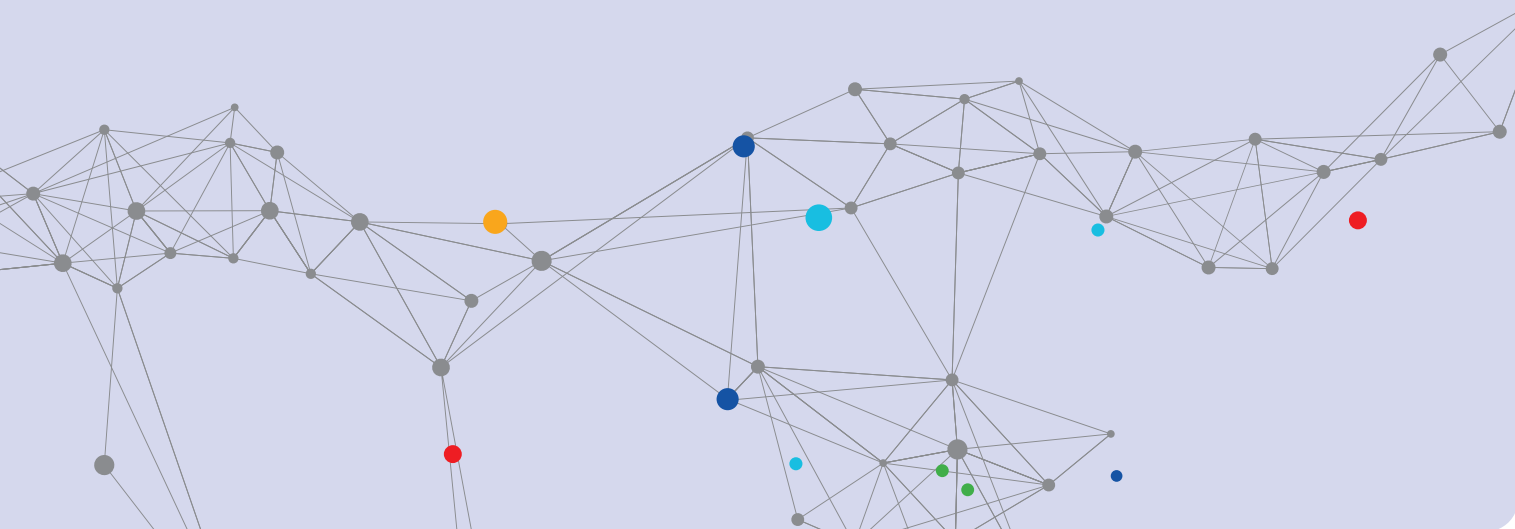
Trilegal (Mumbai)  
S. Mahomedbhai & Co. (Mumbai)  
M/s. Dua Associates (Mumbai)

## BANKERS

Axis Bank Limited  
HDFC Bank Limited  
ICICI Bank Limited  
IDFC FIRST Bank Limited  
IndusInd Bank Limited  
Kotak Mahindra Bank Limited  
RBL Bank Limited  
Yes Bank Limited

## REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg,  
Vikhroli West, Mumbai - 400 083.  
Tel: (022) 49186000;  
Fax: (022) 49186060  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)





FY 2020-21 was an unprecedented year. A year that challenged survival.

It was a year that pushed individuals and businesses to the edge of their capacities and competencies.

A year that demanded extraordinary vision and exceptional courage to weather the crisis.

In this year of unparalleled difficulties, we too were pushed to the limits of our capabilities.

As an essential service provider amid the COVID crisis, we, at Hathway, were forced to swim against the pandemic tide, as we battled not merely to survive but to sustain and grow.

# AND WE SUCCEEDED

Building on the momentum of the previous years, Hathway continued to stay ahead of the curve even in these tough times.

Pushing the limits of our core strengths, we did not just endure, but actually grew...



**To stay connected**

with our customers  
and partners.



**To deliver**

sustained and  
sustainable growth.



**To stay on course**

with our future plans.

Because we believe,  
that the only limits that  
exist are the ones we  
see and accept!

# Strategic Communiqué from the MD



## Dear Valued Shareholders

We truly believe in the maxim that 'Excellence is not a destination but a journey.' Led by this belief, we pushed the bar of our capabilities across our business segments to steer our journey of excellence in an extremely difficult and complex business environment during FY 2020-21. Moving with extraordinary speed and agility, we quickly aligned our business strategy to the new normal to ensure business continuity amid the COVID pandemic.

The pandemic hit the world of Broadband and Cable Television witnessed several sweeping changes in its operational and functional tools and methodologies. Physical connects gave way to digital outreach, and competitiveness took on a new meaning with on-site resolution of customer problems being replaced by a more enhanced self-service proposition. Demand in Cable TV business was skewed as several hotels/institutes/commercial establishments/student hostels were closed for large part of the year. Our plans to garner market share in many markets had to be pushed back as actual seeding of new boxes in consumer homes could not take place due to COVID-related restrictions. As far as Broadband is concerned, meeting sudden spurts in demand, based on lockdown announcements, was difficult, as was the urgent need for network upgradation in smaller towns to meet the new demand resulting from migration of professionals from the metros.

In this transformed environment, we, at Hathway, challenged our own strengths to deliver uninterrupted services to our customers, and sustained value to our stakeholders. As a designated provider of essential services, we moved with unparalleled speed to stay connected and engaged with our customers, vendors, partners, employees and other stakeholders.

What enabled us to stay on course of our growth plans in these extraordinarily difficult times was the inter-play of the various critical factors on which we focussed during the year. Operational excellence was a key area of priority, as we took several strategic measures to optimise costs, which enabled us to increase our Profit After Tax (PAT). Our focus on capex productivity helped in ensuring an operational cash positive business, while our strategy of going deeper into our existing markets in a few select geographies yielded revenue enhancement. We also succeeded in keeping our consumer APRU broadly stable, as the downgrading by some consumers to low-value packs was broadly balanced out by the upgradation of others, who were ready to pay more for higher value.

The progress made during the year by the Company on the integration with Reliance Group system and process also enabled us to effectively overcome the various challenges of the unprecedented pandemic situation.



# In this transformed environment, we, at Hathway, challenged our own strengths to deliver uninterrupted services to our customers, and sustained value to our stakeholders.

At the same time, our transformational efforts of the previous years translated into exceptional benefits for the Company in terms of seamless business continuity and service excellence. Our historical investments in world-class technical infrastructure, our well trained and experienced technical manpower, the digital transformation of the past few years, the agility of our customer service processes, coupled with the support of the world-class fibre infrastructure of Reliance Jio Infocomm Limited (Reliance Jio), enabled us to deliver value to our end-customers as well as our LCO partners.

We initiated large-scale digitalisation initiatives, encompassing every single process of our customer service proposition, to facilitate uninterrupted service even amid the lockdown. Online R&R was deployed extensively to transition our Cable TV trade partners into the virtual mode of working. Even as we went digital in a big way to effectively manage our external stakeholders, we pioneered a host of ground-breaking measures to keep our employees safe, productive and engaged in the Work-from-Home environment, as well as on field duty.

I am confident that these steps will continue to steer us through the problems that are still daunting us in FY 2021-22, with the COVID pandemic showing no signs of abating. The strategic transitions we initiated in FY 2021-22 will not only keep pushing us forward on our growth trajectory,

but will also lay the foundations of a more dynamic business approach, designed to deliver holistic long-term stakeholder value.

Before I conclude, I would like to thank all of you, on behalf of Hathway, for your unwavering support and trust. I would, in particular, like to extend my heartfelt gratitude to our people, without whose courage and cooperation our journey of excellence would not have been possible in these trying circumstances.

Thank You,

**Rajan Gupta**

Managing Director

# Welcome to the Hathway World

**Hathway Cable and Datacom Limited (“Hathway” or the “Company”) is one of India’s leading Broadband player, which also provides Cable services through its wholly-owned subsidiary – Hathway Digital Limited (an MSO).**

As a Company wired to the needs and aspirations of its growing customer base, Hathway’s strategy is crafted to harness its deep-rooted strengths and experience, not just to combat challenges but to actively tap into the emerging market opportunities. Our customer-centric business model is structured to deliver long-term growth and value to our stakeholders, making us a leading Cable TV and Wired Broadband service provider in the country.

Driven by our accelerated efforts to embrace the latest technologies and digital initiatives in the Media & Entertainment industry, we have created a winning business proposition, to stand resolute even amid the most challenging situations. Our pioneering and ground-breaking initiatives over the years have imbued us with the exceptional ability to unleash industry-leading transformations to pave the way for a more dynamic and progressive future. We were India’s first Multi System Operator (MSO) to launch GPON Fibre to the Home (FTTH) service in the country.



## OUR VISION

To be a single point access provider, bringing into the home and workplace a converged world of information, entertainment and services.

**Under the umbrella of Reliance Group, we have embarked on the next phase of our journey - to further augment our core strengths, boost efficiencies, scale customer experience, and push growth for the future.**





**Hathway Cable and Datacom Limited (HCDL)** provides high-quality Broadband services to customers pan India. Through our wholly-owned subsidiary – **Hathway Digital Limited**, we deliver Cable TV services through a network of Local Cable Operators (LCOs). **GTPL Hathway Limited** is engaged in Cable TV distribution and high-speed Broadband service through its wholly-owned subsidiary in various parts of the country.



## OUR BUILDING BLOCKS

The Hathway business strategy is built on the robust foundations of our extensive experience and expertise. Our systemic and progressive transformational efforts over the years have led to the creation of a dynamic model of growth. It has lent us a sharp agility, which enables us to reorient our strategic approach to the transforming market needs and customer aspirations with exceptional speed and efficacy. It has equipped us with the necessary tools for remaining closely connected with our customers at all times, and for delivering sustainable growth and value for all our stakeholders.




# Our Business Segment Strengths

## OUR BROADBAND SCALE

Hathway Cable and Datacom Limited (HCDL)

(Stock ticker - BSE: 533162; NSE: HATHWAY)



Our Broadband business is designed to offer uninterrupted and fast connectivity to the next-gen customers, who seek to remain connected to the rest of the world 24x7 for work, social networking and entertainment. We provide cutting-edge customer experience through our digital and automation initiatives, which we are continuously augmenting through strategic investments in the most advanced technologies.

Our ground-breaking initiatives in this segment have revolutionised India's Broadband story, while lending us a leadership position and market-leading share in the MSO Broadband segment in the country.



We are the pioneers, in India, of high-speed 200-500 Mbps plans using FTTH technology in partnership with ZTE, and 50 Mbps plans, using DOCSIS – 3.0/3.1 technology in partnership with CISCO.



We are India's first Multi System Operator (MSO) to offer Broadband Internet services on pan-India basis.



We are India's first MSO to launch Gigabyte Passive Optical Networks - Fibre to the Home (GPON-FTTH) service in the country.





**5.8 Mn**

Broadband Home-pass



**1.07 Mn**

Broadband Subscribers Base



**Up to 300 Mbps**

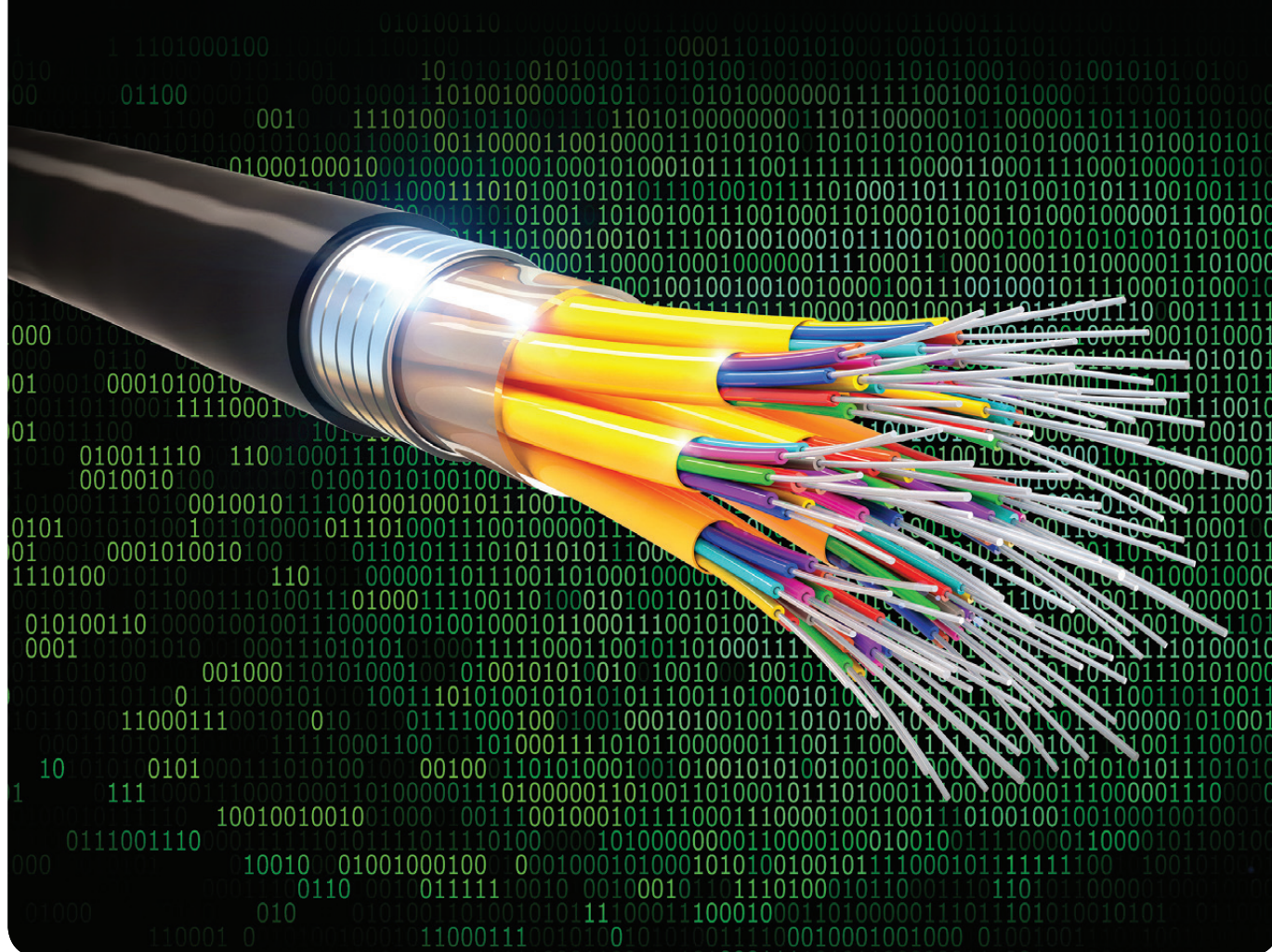
Speed Offered to Customers



**Up to 1 TB**

Data Offered Per Month / Per Subscriber  
(average consumption GB 200/subs)

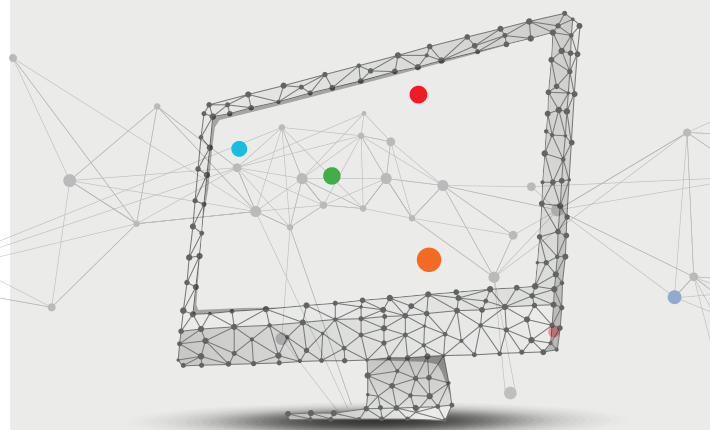
(As of March 31, 2021)



## OUR CABLE TV EXPANSE

### Hathway Digital Limited

(Wholly-owned subsidiary)



As one of India's largest MSOs, we deliver high-quality products and services to our Cable Television subscribers across the country, through a nationwide network of Local Cable Operator (LCO) partners. We deploy technology extensively to continuously enhance our customer interface. At the same time, we are engaged in strengthening our back-end systems and processes to deliver a seamless experience. We are serving 100% of our Cable TV subscribers through Hathway Connect – the unique online portal we have in place for our LCO partners.

Our Digital TV business has redefined digital entertainment in the country, with its large product portfolio, high-quality delivery, and excellence in customer service.



With Hathway, customers get the promise of easy installation, uninterrupted service and affordable packages.



**5.7 Mn**

Viewers provided Cable TV services (including through fellow subsidiaries & JVs)

3D content enabled and 16:9 wide screen viewing experience gives 5 times sharper picture clarity in High Definition than in Standard Definition.



**109+**

Cities & adjoining areas reached through Cable TV



Our 33 in-house channels ensure that subscribers get access not just to the satellite channels but also local channels with local content, to suit their taste.



**8+**

World-class head ends to deliver unmatched transmission quality



**43,000 Kms**

Optical fibre cable  
(As of March 31, 2021)



## GTPL Hathway Limited

(Hathway, being one of the promoter companies, owning 37.32% stake; Stock ticker BSE: 540602, NSE: GTPL)

### #1 MSO

in Gujarat

### #2 MSO

in West Bengal

### #2 MSO

in India



## 1,000+

Towns Across 15 States



## 3.87 Mn

Broadband Home-pass



## 8.00 Mn

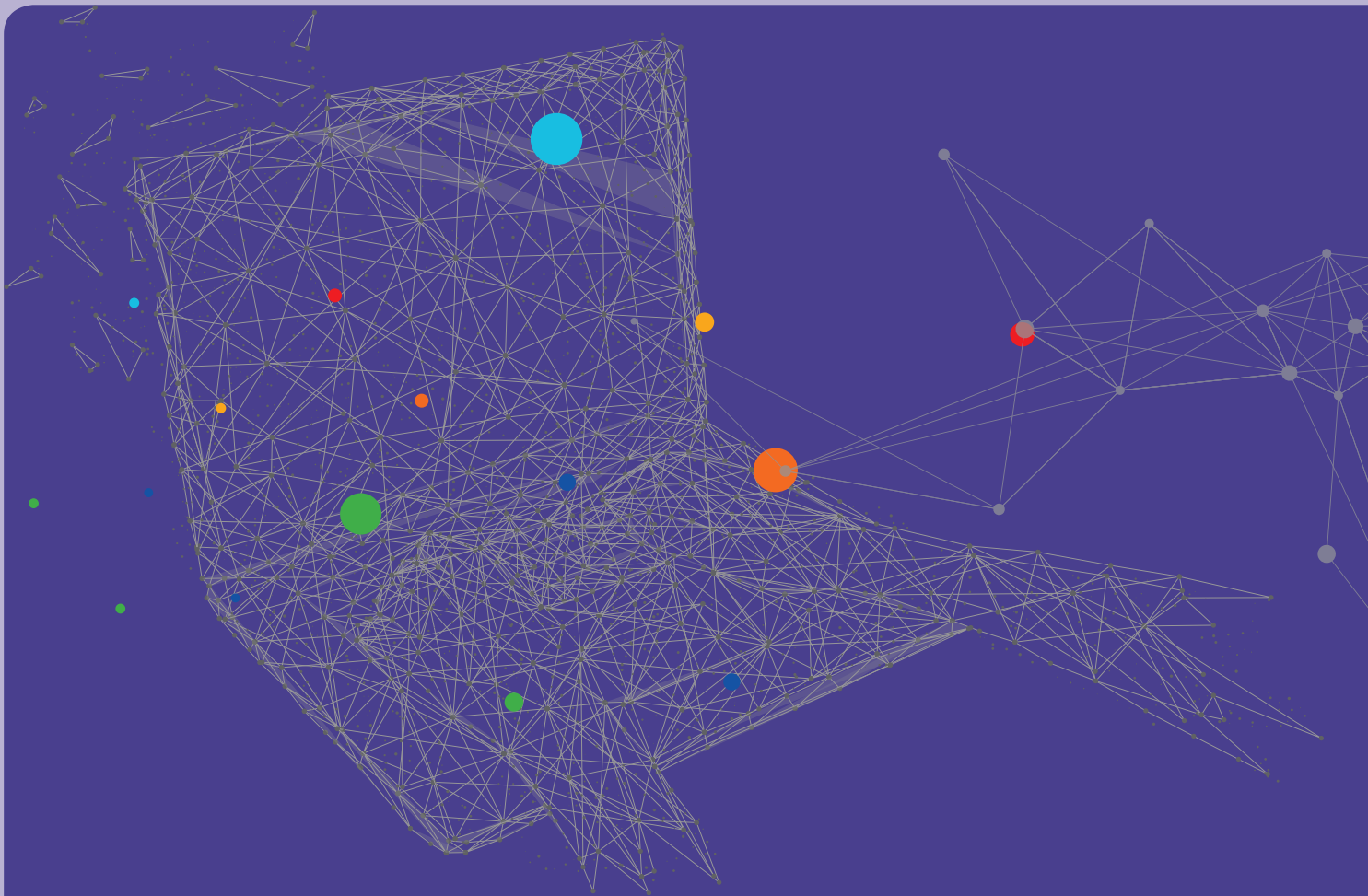
Active Cable TV Subscribers



## 635,000

Active Broadband Subscribers

(As of March 31, 2021)



# The Remote has come a long way.

From the small handheld device initially used only to switch on or switch off the Television set, the Remote transitioned, over the years, into a portable apparatus that could operate other more advanced gadgets. The last one year, however, has given a much bigger meaning to the Remote. As the pandemic ushered in a new work-from-home culture around the world, and travel became a rarity, Remote, ironically, became the only way to stay connected.



The Hathway business strategy also got rapidly aligned with this new Remote way of functioning. As physical touchpoints gave way to more digital connects, we found new methods of servicing our continuously expanding customer and subscriber base. We pushed the strengths of our business segments to deliver a more enhanced and engaging experience to them even amidst the challenging macro-environment.

**We used the Power of the Remote to ensure that they were never out of touch – from their loved ones or from their work. And also to keep them mentally and emotionally relaxed and entertained in these difficult times!**

# Pulling on Strengths to Push Growth

As a designated provider of essential services (Broadband & Cable) amid the COVID lockdown and during the various restrictions that continued to be in place thereafter, we, at Hathway, were faced with the extraordinarily difficult task of ensuring uninterrupted service to our customers, while keeping our employees safe and protected. However, we did not falter or fail, even for a minute. The strong foundations we had built over the years helped us in transitioning smoothly to the new normal of functioning. Building on the momentum of the previous years, we continued to stay ahead of the curve even in these tough times.

The massive transformation that had already been unleashed as a result of the acquisition of Hathway by Reliance Group, and also by the TRAI-enforced New Tariff Order and operational changes in Cable Television, enabled us to ensure sustained and sustainable growth through the challenging FY 2020-21. Our concerted optimisation and rationalisation efforts led to continued improvement in our operational efficiencies, enabling us to push the limits of our capacities and capabilities to report healthy growth.



## HOW WE PUSHED OUR BROADBAND GROWTH...

With the demand for seamless data accessibility and online media consumption spiralling during the pandemic restrictions, we moved aggressively to garner a bigger share of the growth opportunity. Tier 2 and 3 towns, where we already had a strong presence, witnessed a significant boom in wireline broadband subscriptions as many people, particularly professionals and students, shifted base to these towns in the Work-from-Home (WFH) environment. The online education demand and WFH culture also led to a massive spurt in Broadband needs in the larger metros through first-time user additions.

Responding to the new opportunity, we accelerated the adoption of digitisation and automation to further strengthen our FTTH-led technology edge. To enhance customer experience, we adopted a **two-pronged approach**.



## NUMBERS THAT DEFINED BROADBAND GROWTH IN FY 2020-21



**8%**

Y-o-Y Annual Growth



**₹ 615.6 Crores**

Subscription Revenue



**₹ 200.46 Crores**

Operating EBITDA



**33%**

Operating EBITDA

Thrust on increasing  
the capacity of  
existing FTTH network

Greater focus  
on increasing  
FTTH network

In line with this approach, we:

- › Provided unlimited data to all FTTH consumers, to support them in effectively managing their multiple digital needs (office, online education, OTT consumption).
- › Started offering double band routers to help consumers ensure consistent high speed on multiple devices at the same time.

### The Result



Over 30%  
increase in  
FTTH consumer  
base



Consumer  
engagement  
scaled up  
multifold



### HOW WE PUSHED OUR CABLE TV GROWTH...

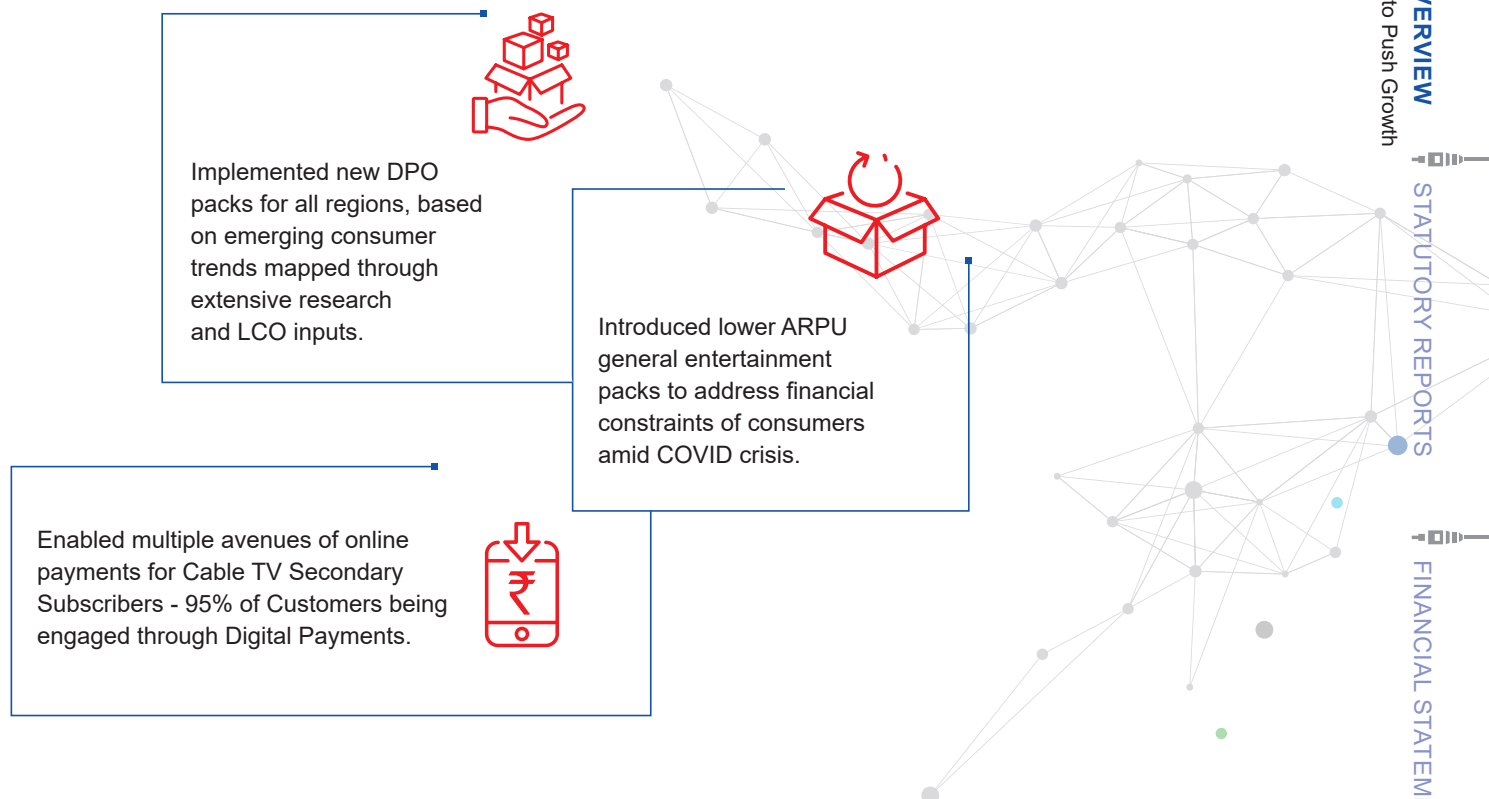
Even as we continued to surge forward on our NTO-led transformational journey, we raised the bar of our Cable TV consumer engagement with strategic initiatives through Hathway Digital during FY 2020-21. Our focus was on further enhancing the Hathway experience for both, our consumers and our LCO partners. Our best-in-class infrastructure, the Reliance Jio fibre backbone, and the exemplary work done by our frontline technical staff ensured service continuity.

To ensure seamless and uninterrupted customer support, we strengthened our customer-facing systems and processes during the year. VPN-based access to our support personnel, in addition to virtual collaboration tools, such as Microsoft Teams, Google Hangout etc., ensured that there was no disruption in service. We also provided our valued customers with 24\*7 Uptime of online services, reconciliations & support.

In line with our focus on further growth of online transactions in ISP Subscriber Online Payments, in addition to rollout of various wallets, we launched a new Sales App to encourage online payments at the time of new connections. Real-time auto activations post renewal payments also helped enhance customer experience in these testing times.

## Consumer Engagement Initiatives

To steer a more experiential engagement for our end-consumers in the difficult macro-environment, we:



## The Result of our Initiatives



**More freedom for consumers to find best-fit packs to suit their tastes and pockets**



**Increase in percentage of consumers opting for DPO packs from 76.6% in March 2020 to 83.4% in March 2021**





## LCO ENGAGEMENT INITIATIVES

For our LCO partners, who are the first point of contact for our end-consumers, we opened up new vistas to steer their smooth transition into the new business norms. Regular LCO communication was maintained in these testing times through SMS, WhatsApp Banners, Emails and Hathway Connect Portal. We introduced various LCO-driven initiatives in these testing times to empower our LCOs to effectively handle the post-COVID world.



### **Rollout of White Label App based short URL payment links - 43% of LCOs enrolled for this service.**

- Rollout of Paymytv.in portal for customers
- Incentivising LCOs to encourage online payments and renewal
- Encouraging LCOs to tie up with local chemist/grocer for physical collection, particularly in the smaller towns



**E-Invoicing system** - developed to facilitate GST Compliance



**Online dashboards** - on the LCO portal to support them with data to help boost their business; this data is also being used by Hathway Digital to reward and recognise best performing LCOs.



**Third-party vendor tie-ups** - for offering online payment options, with instant service activation feature.

## SUPPORTING LCOs DURING COVID

We launched the Hathway Sahayataa Yojana and the Hathway Suraksha Yojana to support our LCO partners during the COVID times.

### › Sahayataa Yojana

An LCO Support Programme launched in April 2020, to reimburse hospital expenses (up to ₹ 1 lakh) for COVID-affected LCOs; Initiative was welcomed by the LCO fraternity and created good visibility among them. As of March 31, 2021, as many as 13 LCO requests had been received for financial support under the scheme.

### › Suraksha Yojana

An accident policy for providing financial cover to LCOs for injuries (disability and death); provides for financial assistance of up to ₹ 5 Lakhs for LCOs and their key employees in case of accidental death or total disability.

## The Result



Smooth business operations ensured, despite lockdowns and other curbs amid the external socio-economic challenges.



Seamless and uninterrupted services for our end-consumers, with no stoppages or breakdowns.

## NUMBERS THAT DEFINED CABLE TV GROWTH IN FY 2020-21



**20%**

Operating EBITDA



**100%**

Collection Efficiency



**95%**

Online Collection

Payment Successful  
Payment Successful





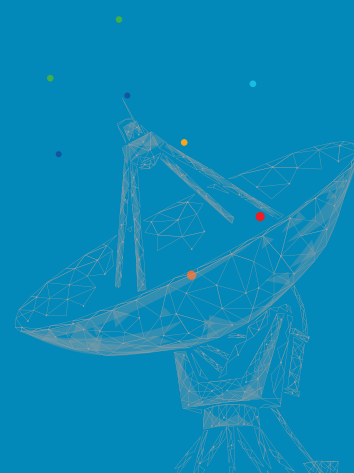
# A gym to work out virtually?

Paradoxically, that is a reality of the current times. The COVID outbreak pushed many segments, sectors, businesses and even individuals over the tipping point of technology. Many companies achieved 5-year digitalisation goals within a matter of weeks, some even in days. Automation and Artificial Intelligence (AI), which were already the buzzwords of every transforming business, have emerged as the new mantras. From being a comfortable option for consumers, online has become a real necessity.



As families moved from 'nobody home' to 'everybody home', we, at Hathway, accelerated the speed of adoption of the digital processes and systems to unprecedented levels. From being a partner in our growth strategy, Technology became the engine of our growth plans. From being digitally equipped, we moved towards becoming digitally empowered. We raced ahead to keep pace with the exceptionally challenging needs of our consumers, as they shifted from physical work-life balance to a virtual work-life fit. Is the new fit here to stay, as some predict?

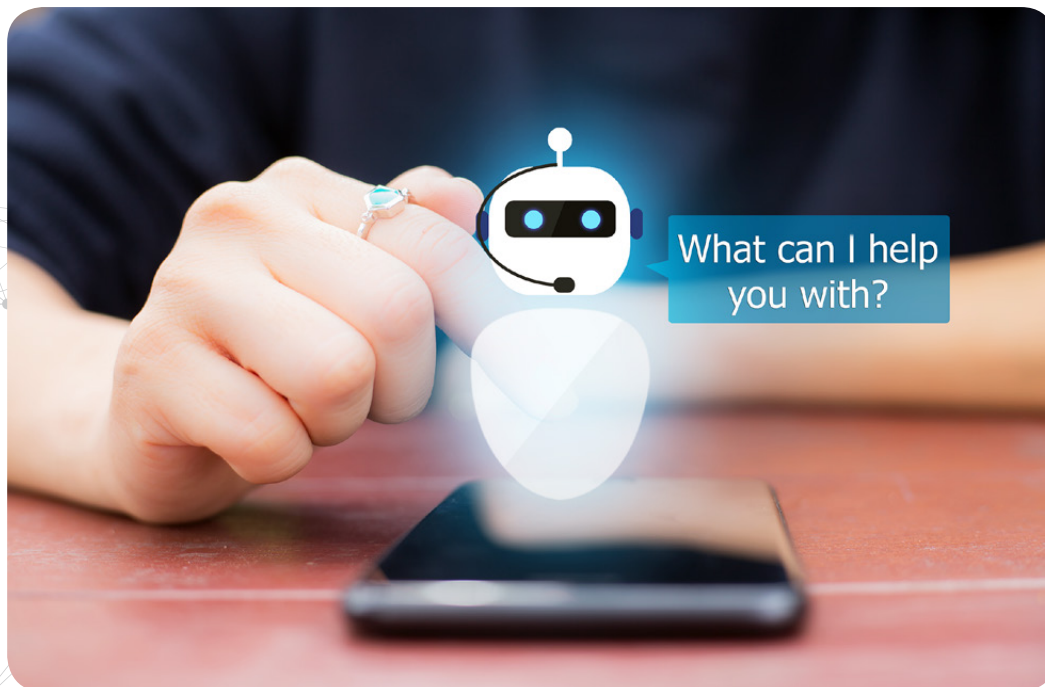
It's too early for us to say, but the process of reinventing ourselves in the rewired business environment is definitely not coming to an end any time soon.



# When Push Came to Shove... We Pushed to Reinvent Ourselves!

At Hathway, we define the metrics of our success not just by our growth numbers but by our overall performance on a sustained and sustainable basis. While customer accretion and geographic expansion continues to drive our growth strategic, we remain equally committed to ensuring long-term consumer stickiness and loyalty. We are focussed not just on adding numbers to our business portfolio but also on augmenting stakeholder value, across our business segments, at every step of our futuristic journey. We believe not just in growth, but in Smart and Sustainable Growth.

Led by this belief, we are continually striving to reengineer our systems and processes in line with the evolving customer needs and transforming business environment. Amid the unprecedented changes in FY 2020-21, we pushed the limits of our technological and digital capabilities to grow smarter and faster than before. We invested even more actively in many exceptional innovations and initiatives to ensure business continuity. In the process, we pushed ourselves further to reinvent our business to match the extraordinary pace of external transformation.



## RE-ENGINEERING BROADBAND BUSINESS

To ensure uninterrupted and undiluted business continuity amid COVID-led lockdowns and other such constraints, we focussed concertedly on re-engineering our customer front-ending processes to make them more technology-enabled. Our technology-led initiatives helped us deliver smooth and uninterrupted services, coupled with enhanced efficacies, to our Broadband customers, thus enhancing their experience with Hathway.

We propelled our digital and tech journey in this segment through multiple interventions:

- › Our Chatbot helped route queries through Hathway App and Hathway WhatsApp business account. Self-service was facilitated through VoiceBOT for calls at our call centre, which also enabled our customers in auto fixing of issues.
- › We offered 200-500 Mbps speed to our premium consumers, to provide them affordable access to meet their multiple consumption needs through smooth 24x7 connectivity in the new COVID-triggered environment.
- › The introduction of our new smart IVR system for enhanced consumer experience through improved efficiencies.

#### The Result



Troubleshooting quality improved due to monitoring of multiple network parameters in minimal time with BOT.



Average data usage per customer per month reached 201 GB in March 2021; average bandwidth consumption per subscriber stands at 1.2 Mbps.





## REDEFINING CABLE TELEVISION BUSINESS

Ensuring uninterrupted service delivery amid the COVID constraints was a challenge that necessitated several path-breaking and targeted technological interventions in the Cable TV segment. We successfully leveraged the Reliance Jio fibre backend support to enhance our system and technical capabilities, not just to meet but to exceed customer expectations.

We ensured best-in-class viewing experience, with better and faster response, for our customers through various innovations during the year.

- |   |  |  |
|---|--|--|
| › <b>Roll-out of MyJio App</b> to enable primary subscribers to make online and offline payments with total ease.         | › <b>Incentives for online transactions</b> to minimise physical contacts amid the pandemic.                                     | › <b>Launch of new digital eCAF process</b> , including IVR-based authentication in addition to OTP process.   |
| › <b>Introduction of new digital payment Wallets</b> – (Paytm, Phone Pe, Amazon Pay, UPI), backed by Automated Reminders. | › <b>Early adoption of TRAI's Channel Selector App</b> for customers, making Hathway Digital one of the first few MSOs to do so. | › <b>Addition of new HD set-top features</b> , such as time shift, for forward-rewind on Live TV, setting of reminders and storage of up to 1 TB of content for later viewing. |



In addition, to ensure quick response to customer concerns and problems in the absence of in-person service, we moved quickly to scale up the customer self-service interface.



Chatbot in Customer App provides for self-service in case of:  
a>Internet Not Working  
b>Facing poor speed  
c>Forgot Wi-Fi Credentials  
d>Other queries



2-way WhatsApp message service is helping early resolution of customer problems without on-site support.



VoiceBot is enabling easy interaction with the Company for the customer through IVR.



NPS feedback page is helping with digital collection of NPS score, to assess the levels of servicing and product effectiveness.

#### The Result



We successfully seeded more than 12.7 lakh new next-generation HD boxes.



We achieved enhanced customer experience through a more attractive product mix and ease of service delivery.



# How We Pushed our Limits...

## FOR OUR EMPLOYEES!

The Hathway business proposition is centred as much as on delivering value to our internal stakeholders as it on our external stakeholders. Cognisant of the need to keep our own people safe and engaged for providing continued essential services to our customers, we responded quickly and proactively to ensure that our employees were protected and motivated to drive our external stakeholder management.



The thrust was on mobilising and incentivising our employees to deliver superior business performance even despite the prevailing challenges. We ensured this through:

- › **Continuous availability of critical field staff** to ensure continuity of essential services
- › **Continued delivery of performance-related rewards:** Incentives, Career Progression, Spot Incentives etc.
- › **External hiring to support** deeper business penetration in selected markets
- › **Increased focus on rewarding high performers**, managing poor performance etc., to ensure that our performance management processes continued to drive our strategy
- › **Arranging curfew passes** from the government, and timely negotiations with local bodies for smooth mobility of field staff

## EMPOWERING EMPLOYEES...

### To ensure Business Continuity

To facilitate remote working with ease and efficacy, we provided to our employees various interactive online meeting tools, such as Microsoft Teams, screen sharing apps, chat and video calling apps, laptops etc., to enable them to stay connected on real-time basis and carry out critical roles. New and flexible strategies were formulated to ensure continuous availability of more than 2,000 critical field people, thus enabling 24x7 services. The integration of many vital Human Resource functions of Hathway with RIL proved to be a boon in this difficult environment.

- › **Employee Self Service (ESS) Portal:** Jio ESS Portal has been integrated and made accessible for all On Roll employees of Hathway.
- › **On Roll Employees Payroll** is now completely integrated with RIL.
- › **mHere Pro App:** The mHere Attendance mobile app has been integrated for all On Roll staff.
- › **Jio Learning:** Mandatory Trainings are accessible for On Roll employees on the ESS portal.

## SUPPORTING EMPLOYEES...

### In COVID times

Even as we invested in ensuring business continuity and profitable growth for the Company through various customer-centric initiatives, we did not lose sight of the importance of taking care of our employees during the pandemic times. Other initiatives included:

- › **Insurance cover enhanced for employees** falling under ESI (1.5L enhanced Medical Insurance)
- › **Salary advances given** to meet immediate hospitalisation expenses

- › **Provided mid-month payment in April 2020** for employees drawing less than ₹ 30,000 a month, to mitigate any overwhelming financial situation during the COVID outbreak.
- › Reimbursement of any unforeseen expense due to COVID

#### A task team set up in collaboration with RIL ensured:

- 24\*7 accessibility to a team of dedicated doctors, across locations
- Assistance for treatment and hospitalisation for COVID +ve employees
- Access to SWAB tests for COVID suspected employees
- Post Hospitalisation - Quarantine kit home delivered to recuperating employees

## KEEPING EMPLOYEES SAFE...

### Amid the Pandemic

With the safety and security of our people a key priority in the COVID times, we took various initiatives towards ensuring the same.

- › Masks, Sanitisers, effective Medical Insurance covers were provided for our field teams and their families
- › For employees in critical roles who needed to come to office, frequent fumigation and sanitisation of work spaces was done, besides providing sanitisers and stocking up on emergency medicines. Infrared sensors were used to check the temperature of all employees and visitors entering the premises
- › Communication campaigns were used to create awareness about COVID, guidelines for employees and their families on how to reduce exposure to and transmission of the virus, and precautions to be taken; Daily health anecdotes from Jio Health Hub Digest helped boost employee morale
- › Daily surveys were carried out for all employees to check on COVID symptoms for them and their families, with the Immediate Response Team in the Human Resource Department reaching out to mid and high risk cases

# Mapping the GTPL Hathway Performance

The Media & Entertainment Industry has benefited from changing customer habits and acceleration in digital adoption. The availability and viewership of regional content has grown multi-fold in the past few years, indicating a shift from traditional genres to regional. The industry has also seen increased TV penetration with a large portion of the incremental TV households being attributable to rural areas. Deeper penetration in these markets through traditional and new platforms has created opportunities for growth in pay subscriber base and content monetisation.

GTPL Hathway Limited, in which Hathway holds 37.32% stake, has evolved from being a strong regional distributor to a leadership position nationally. The Company is the 2<sup>nd</sup> largest MSO in the country today with dominant presence in Gujarat, West Bengal and Maharashtra and significant presence in 12 other states. GTPL is also a leading broadband service provider across India through its subsidiary with a robust 57% growth in its subscriber base in FY2020-21 and is currently the 6<sup>th</sup> largest private wireline broadband service provider in India.



## GTPL GROWTH IN LAST 5 YEARS



CATV Subscribers

**~2.2x**



Broadband Subscribers

**~3.7x**



Revenue

**~24% CAGR**



EBITDA

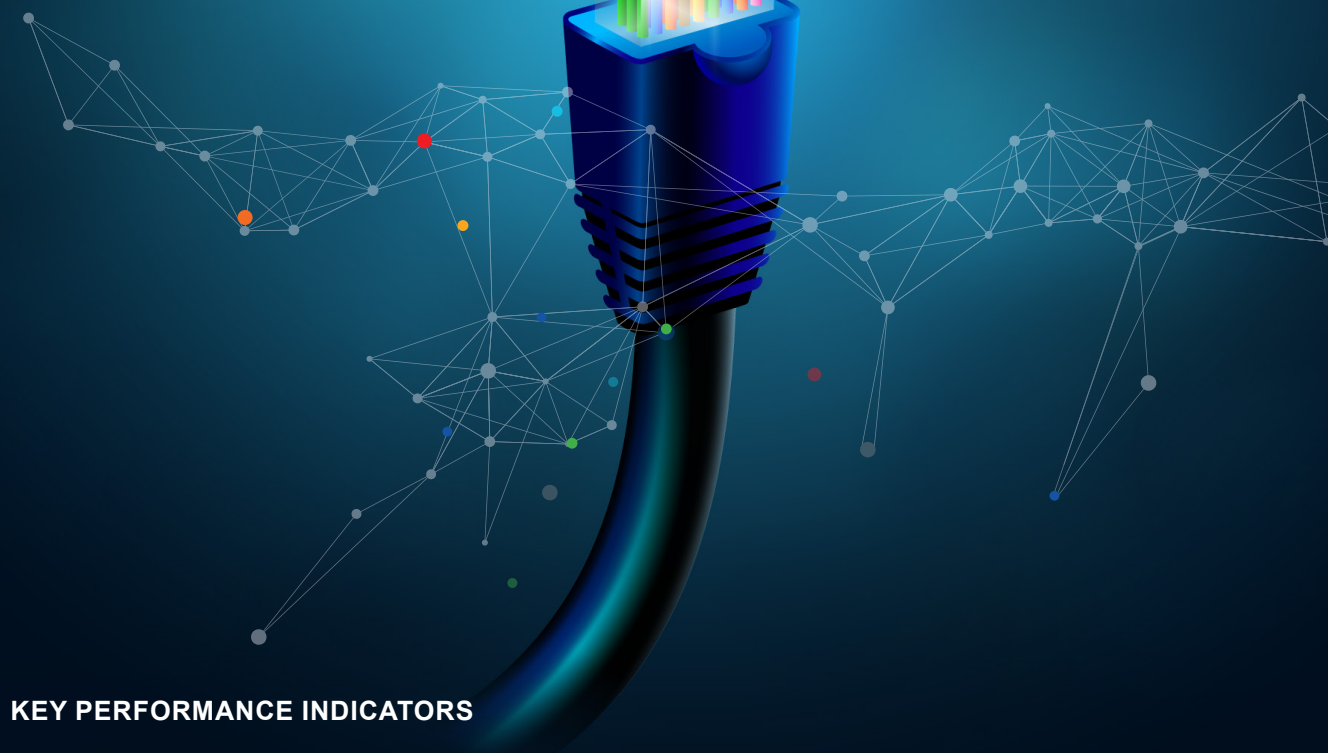
**~28% CAGR**

**50,000+ Kms**

Optical Fibre Cable - Owned  
(4,000+ Kms Underground;  
6,500+ Kms Leased)

**200,000**

FTTH Subscribers



### KEY PERFORMANCE INDICATORS



**₹ 13,467 Mn**

Market Capitalisation as  
on March 31, 2021



**₹ 5,724 Mn**

EBITDA for FY 2020-21



**₹ 25,300 Mn**

Revenue for FY 2020-21



**₹ 1,885 Mn**

PAT for FY 2020-21

# Statutory Reports

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33-99

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# Financial Statements

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100-224

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# Notice

**NOTICE is hereby given that the Sixty First Annual General Meeting of the Company will be held on Tuesday, August 24, 2021 at 2:00 p.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:**

## **ORDINARY BUSINESS:**

1. To consider and adopt (a) the audited standalone financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions**:
  - a) **"RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
  - b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
2. To re-appoint Mr. Saurabh Sancheti, who retires by rotation as Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Saurabh Sancheti (DIN: 08349457), who retires by rotation at this meeting, be and is hereby appointed as Non-Executive Director of the Company."

3. To re-appoint Mr. Anuj Jain, who retires by rotation as Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Anuj Jain (DIN: 08351295), who retires by rotation at this meeting, be and is hereby appointed as Non-Executive Director of the Company."

## **SPECIAL BUSINESS:**

4. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2022 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the Statement annexed to the Notice, to be paid to the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2022, be and is hereby ratified."

By Order of the Board of Directors

Sd/-

**Ajay Singh**

Head Corporate Legal, Company Secretary and  
Chief Compliance Officer

FCS 5189

**Mumbai, April 28, 2021**

## **Registered Office**

Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054

CIN: L64204MH1959PLC011421

Tel No. 022-26001306 Fax No. 022-26001307

Mail: [info@hathway.net](mailto:info@hathway.net)

Website: [www.hathway.com](http://www.hathway.com)

## NOTES:

1. Considering the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "**MCA Circulars**"), permitted convening the Annual General Meeting ("**AGM**") through Video Conferencing ("**VC**") / Other Audio-Visual Means ("**OAVM**"), without the physical presence of the Members at a common venue. In accordance with the MCA circulars, provisions of the Companies Act, 2013 (the "**Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the AGM of the Company is being held through VC/ OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a member of the Company. Since this AGM is being held through VC/ OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Since the AGM will be held through VC/OAVM, the Route Map of the venue of the AGM is not annexed hereto.
5. In terms of the provisions of Section 152 of the Act, Mr. Saurabh Sancheti and Mr. Anuj Jain, Non-Executive Directors, retire by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend their respective re-appointments. Mr. Saurabh Sancheti and Mr. Anuj Jain are interested in the ordinary resolutions set out at Item Nos.2 and 3 respectively, of the Notice with regard to their re-appointment. The relatives of Mr. Saurabh Sancheti and Mr. Anuj Jain may be deemed to be interested in the resolutions set out at Item Nos. 2 and 3 respectively of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 to 3 of the Notice.

6. Details of Directors retiring by rotation and seeking re-appointment at this AGM are provided in the "Annexure" to the notice.
7. Pursuant to the amendment to the section 139 of the Act, effective from May 7, 2018, the ratification of the appointment of auditors by the members at every AGM has been done away with. Accordingly, the ratification of appointment of M/s. Nayan Parikh & Co., Chartered Accountants, who were appointed as the Statutory Auditors at the Fifty Seventh AGM held on September 15, 2017, for a period of 5 years, is not required at the ensuing AGM.

## DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

8. In compliance with the MCA Circulars and SEBI circular dated January 15, 2021 read with Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those members whose email address is registered with the Company/ Depository Participant(s). Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website at [www.hathway.com](http://www.hathway.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of KFin Technologies Private Limited ("KFinTech") at <https://evoting.kfintech.com>.
9. For receiving all communication (including Annual Report) from the Company electronically:
  - a. Members holding shares in physical mode and who have not registered/ updated their email address may get their e-mail addresses registered with Link Intime India Private Limited, Registrar and Transfer ("**RTA**"), by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) on the website [www.linkintime.co.in](http://www.linkintime.co.in) under the Investor Services tab by choosing the Email / Bank Registration heading and following the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail id and also upload the image of share certificate in PDF or JPEG format (upto 1 MB). In case of any query, a member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
  - b. Members holding shares in dematerialised mode are requested to register/ update their email addresses with the relevant Depository Participant with whom they maintain their account.

## PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

10. The Company will provide VC/OAVM facility to its Members for participating at the AGM.

**a. Members will be able to attend the AGM through VC/OAVM as per the procedure given below:**

i. Launch internet browser (Edge 8044+, Firefox 78+, Chrome 83+, Safari 13+) by typing the URL: <https://jiomeet.jio.com/hathwayagm>

ii. Select "Shareholders" option on the screen

iii. Enter the login credentials

**User ID:** For demat shareholders: 16-digit DPID+Client ID is your User ID

(DP ID and Client ID to be typed continuously)

For e.g. IN12345612345678 (NSDL)

1402345612345678 (CDSL)

(Client ID is the last 8 digits of your demat account number as per your account statement / contract note / delivery instruction slip / email sent by the Company); or

For holders of shares in physical form: Your EVEN+Folio No. is your User ID (to be typed continuously)

**Password:** Enter your password for e-voting sent by the Company/KFinTech through e-mail.

iv. After logging in, you will be directed to the AGM.

**b. Members who do not have or who have forgotten their User ID and Password, may obtain/generate/retrieve the same, for attending the AGM, by following the procedure given in the instruction at Note No. 19C. vii III.**

11. Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during Thursday, August 19, 2021 to Friday, August 20, 2021. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

12. Members will be allowed to attend the AGM through VC/OAVM on first come first serve basis.

13. Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

14. Members who need assistance before or during the AGM, can contact KFinTech on [evoting@kfintech.com](mailto:evoting@kfintech.com) or call on toll free number 1800-309-4001 (from 9:00 a.m. IST to 5:00 p.m. IST). Kindly quote your name, DP ID-Client ID/Folio no. and E-voting Event Number ("Even") in all your communications.

15. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

16. Institutional /Corporate Members (that is, other than Individuals, HUFs, NRIs, etc.) are required to send the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), at e-mail id: [hsk@rathiandassociates.com](mailto:hsk@rathiandassociates.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). Such authorisation shall contain necessary authority in favour of its authorised representative(s) to attend the AGM.

17. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

18. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.

## PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM ("INSTA POLL"):

### 19. A. E-VOTING FACILITY:

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, the Company is providing to its members facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting"). Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

The Company has engaged the services of KFinTech as the agency to provide e-voting facility.

The manner of voting, including voting remotely by (i) individual shareholders holding shares of the Company in demat mode, (ii) shareholders other than individuals holding shares of the Company in demat mode, (iii) shareholders holding shares of the Company in physical mode, and (iv) Members who have not registered their email addresses is provided in the instructions given below.

The remote e-voting facility will be available during the following voting period:

<b>Commencement of remote e-voting</b>	9:00 a.m. on Saturday, August 21, 2021
<b>End of remote e-voting</b>	5:00 p.m. on Monday, August 23, 2021

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period.

**Voting rights of a member/beneficial owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, August 17, 2021 ("Cut-Off Date").**

The Board of Directors of the Company has appointed Mr. Himanshu Kamdar Practicing Company Secretary (Membership no.:5171), Partner-Rathi and Associates, Company Secretaries, as Scrutinizer to scrutinize the remote e-voting and Insta Poll process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

## **B. INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER:**

- i. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.
- ii. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- iii. A member can opt for only single mode of voting i.e. through remote e-voting or Voting at the Meeting ("Insta Poll"). If a Member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".
- iv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.
- v. The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

## C. REMOTE E-VOTING:

### vi. INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING BY INDIVIDUAL SHAREHOLDERS HOLDING SHARES OF THE COMPANY IN DEMAT MODE:

As per circular of SEBI on e-voting facility provided by listed entities, dated December 09, 2020, all “individual shareholders holding shares of the Company in demat mode” can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

#### Procedure to login through websites of Depositories

National Securities Depository Limited (“NSDL”)	Central Depository Services (India) Limited (“CDSL”)
<b>1. Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure:</b>	<b>1. Users already registered for Easi / Easiest facility of CDSL may follow the following procedure:</b>
i. Type in the browser / Click on the following e-Services link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>	i. Type in the browser / Click on any of the following links: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on <b>New System Myeasi / Login to My Easi option under Quick Login</b> (best operational in Internet Explorer 10 or above and Mozilla Firefox)
ii. Click on the button “ <b>Beneficial Owner</b> ” available for login under ‘ <b>IDeAS</b> ’ section.	ii. Enter your User ID and Password for accessing Easi / Easiest.
iii. A new page will open. Enter your User ID and Password for accessing IDeAS.	iii. You will see Company Name: “Hathway Cable and Datacom Limited” on the next screen. <b>Click on the e-Voting link available against Hathway Cable and Datacom Limited or select e-Voting service provider “KFinTech”</b> and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.
iv. On successful authentication, you will enter your IDeAS service login. Click on “ <b>Access to e-Voting</b> ” under <b>Value Added Services</b> on the panel available on the left hand side.	
v. Click on “ <b>Active E-voting Cycles</b> ” option under E-voting.	
vi. You will see Company Name: “Hathway Cable and Datacom Limited” on the next screen. <b>Click on the e-Voting link available against Hathway Cable and Datacom Limited or select e-Voting service provider “KFinTech”</b> and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.	
<b>2. Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:</b>	<b>2. Users not registered for Easi/Easiest facility of CDSL may follow the following procedure:</b>
i. To register, type in the browser / Click on the following e-Services link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>	i. To register, type in the browser / Click on the following link: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>
ii. Select option “ <b>Register Online for IDeAS</b> ” available on the left hand side of the page	ii. Proceed to complete registration using your DP ID-Client ID (BO ID), etc.
iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc.	iii. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.
iv. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.	

National Securities Depository Limited (“NSDL”)	Central Depository Services (India) Limited (“CDSL”)
<b>3. Users may directly access the e-Voting module of NSDL as per the following procedure:</b>	<b>3. Users may directly access the e-Voting module of CDSL as per the following procedure:</b>
i. Type in the browser / Click on the following link: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>	i. Type in the browser / Click on the following links: <a href="http://www.cdslindia.com">www.cdslindia.com</a> / <a href="https://www.evotingindia.com">https://www.evotingindia.com</a>
ii. Click on the button “Login” available under “Shareholder/Member” section.	ii. Provide Demat Account Number and PAN
iii. On the login page, enter User ID (that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL’s e-voting platform)/ through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen.	iii. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account.
iv. On successful authentication, you will enter the e-voting module of NSDL. Click on “ <b>Active E-voting Cycles / VC or OAVMs</b> ” option under E-voting. You will see Company Name: “Hathway Cable and Datacom Limited” on the next screen. <b>Click on the e-Voting link available against Hathway Cable and Datacom Limited or select e-Voting service provider “KFinTech”</b> and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.	iv. On successful authentication, you will enter the e-voting module of CDSL. <b>Click on the e-Voting link available against Hathway Cable and Datacom Limited or select e-Voting service provider “KFinTech”</b> and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.

#### Procedure to login through their demat accounts / Website of Depository Participant

Individual shareholders holding shares of the Company in Demat mode can **access e-Voting facility provided by the Company using login credentials of their demat accounts** (online accounts) through their demat accounts / **websites of Depository Participants** registered with NSDL/CDSL. An option for “e-Voting” will be available once they have successfully logged-in through their respective logins. Click on the option “e-Voting” and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). **Click on the e-Voting link available against Hathway Cable and Datacom Limited or select e-Voting service provider “KFinTech”** and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.

**Members who are unable to retrieve User ID / Password are advised to use “Forgot User ID” / “Forgot Password” options available on the websites of Depositories/Depository Participants.**

#### Contact details in case of any technical issue on NSDL Website

Members facing any technical issue during login can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free nos.: 1800 1020 990 / 1800 22 44 30

#### Contact details in case of any technical issue on CDSL Website

Members facing any technical issue during login can contact CDSL helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 or 022-23058542-43.

vii. **INFORMATION AND INSTRUCTIONS FOR REMOTE-VOTING BY (I) SHAREHOLDERS OTHER THAN INDIVIDUALS HOLDING SHARES OF THE COMPANY IN DEMAT MODE AND (II) ALL SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE**

**IA. In case member receives an e-mail from the Company/ KFinTech [for members whose e-mail addresses is registered with the Company/ Link Intime India Private Limited/ Depository Participant(s)]:**

- a. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
- b. Enter the login credentials (**User ID and password given in the e-mail**). The E-Voting Event Number+Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFinTech for e-voting, you can use the existing password for logging in. If required, please visit <https://evoting.kfintech.com> or contact toll-free number 1800-309-4001 (from 9:00 a.m. IST to 5:00 p.m. IST) for your existing password.
- c. After entering these details appropriately, click on "LOGIN".
- d. You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- e. You need to login again with the new credentials.
- f. On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Hathway Cable and Datacom Limited.
- g. On the voting page, enter the number of shares as on the cut-off date under either

"FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST", but the total number under "FOR" / "AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose to "ABSTAIN" and vote will not be counted under either head.

- h. Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- i. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".
- j. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
- k. A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.
- l. Once you confirm, you will not be allowed to modify your vote.
- m. Corporate/Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: [hsk@rathiandassociates.com](mailto:hsk@rathiandassociates.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). Such authorization shall contain necessary authority for voting by its authorised representative(s). It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVEN."

**IB. In case of a member whose e-mail address is not registered / updated with the Company/ Link Intime India Private Limited/ Depository Participant(s), please follow the following steps to generate your login credentials:**

- a. The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered / updated their e-mail address with the Company may get their e-mail addresses

registered / updated with Link Intime India Private Limited, by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) on the website [www.linkintime.co.in](http://www.linkintime.co.in) under the Investor Services tab by choosing the E mail / Bank Registration heading and following the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB) In case of any query, a member may send an e-mail to RTA at [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in).

**b. Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register/update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.**

c. After due verification, KFinTech will forward your login credentials to your registered email address.

d. Follow the instructions at I(A) (a) to (m) to cast your vote.

**II. Members can also update their mobile number and e-mail ID in the “user profile details” in their e-voting login on <https://evoting.kfintech.com> which may be used for sending further communication(s).**

**III. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date/ any Member who has forgotten the User Id and Password, may obtain/generate/ retrieve the same from KFinTech in the manner as mentioned below:**

a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: **MYEPWD** <space> E-Voting Event Number+Folio No. or DP ID Client ID to **9212993399**

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> 0000012

b. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.

c. Member may call on KFinTech’s toll-free number 1800-309-4001 (from 9:00 a.m. IST to 5:00 p.m. IST)

d. Member may send an e-mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com). After due verification of the request, User ID and password will be sent to the member.

e. If the member is already registered with KFinTech’s e-voting platform, then he/she/ it can use his/her/its existing password for logging in.

**IV. In case of any query pertaining to e-voting, members may refer to the “Help” and “FAQs” sections/ E-voting user manual available through a dropdown menu in the “Downloads” section of KFinTech’s website for e-voting: <https://evoting.kfintech.com> or contact KFinTech as per the details given under sub-point no. V below.**

**V. Members are requested to note the following contact details for addressing e-voting grievances:**

Mr. S.V Raju, Deputy General Manager  
KFin Technologies Private Limited  
Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad 500 032, India  
Toll-free No.: 1800-309-4001  
(from 9:00 a.m. IST to 5:00 p.m. IST)  
E-mail: [evoting@kfintech.com](mailto:evoting@kfintech.com)

#### **D. INSTA POLL:**

**VI. Information and instructions for Insta Poll:**

**Facility to vote through Insta Poll will be made available on the Meeting page (after you log into the Meeting) and will be activated once the Insta Poll is announced at the Meeting.**

#### **E. E-VOTING RESULT:**

**VII. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutinizer’s Report and submit the same to**

the Chairman. The result of e-voting, along with the consolidated Scrutinizer's Report, will be declared in accordance with the applicable provisions of SEBI Regulations and will be placed on the website of the Company: [www.hathway.com](http://www.hathway.com) and on the website of KFinTech at: <https://evoting.kfintech.com>. The result will simultaneously be communicated to the Stock Exchanges.

**VIII. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e. Tuesday, August 24, 2021.**

#### PROCEDURE FOR INSPECTION OF DOCUMENTS:

20. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [info@hathway.net](mailto:info@hathway.net)

21. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, August 20, 2021 through email on [info@hathway.net](mailto:info@hathway.net). The same will be replied by the Company suitably.
22. The Annual Accounts of the subsidiary companies shall be available at the website of the Company [www.hathway.com](http://www.hathway.com).

#### OTHER INFORMATION

23. As mandated by the Securities and Exchange Board of India ("SEBI"), Securities of the Company can be transferred/traded only in dematerialised form. Members holding shares in physical form are advised to avail of the facility of dematerialised.
24. Members holding shares in physical form are advised to register nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is available on the Company's website and can be accessed at link <https://www.hathway.com/assets/pdf/Annual%20Report/Nomination%20Form.pdf>
25. Members holding shares in electronic mode are:
- requested to submit their PAN and bank account details to their respective Depository Participants ("DPs") with which they are maintaining their demat accounts.
  - advised to contact their respective DPs for registering nomination.

By Order of the Board of Directors

Sd/-

**Ajay Singh**

Head Corporate Legal, Company Secretary and  
Chief Compliance Officer  
FCS 5189

**Mumbai, April 28, 2021**

#### Registered Office

Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054  
CIN: L64204MH1959PLC011421  
Tel No. 022-26001306 Fax No. 022-26001307  
Mail: [info@hathway.net](mailto:info@hathway.net)  
Website: [www.hathway.com](http://www.hathway.com)

## STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("THE ACT")

**The following Statement sets out all material facts relating to Special Business mentioned in the notice:**

### Item No. 4

The Board of Directors has, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Ashok Agarwal & Co. (Firm Registration No. 000510), as Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2022 and also approved the remuneration of ₹ 575,000/- (Rupees Five Lakh Seventy-Five Thousand only) to be paid to the Cost Auditors.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2022 by passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for ratification by the members.

By Order of the Board of Directors

Sd/-

**Ajay Singh**

Head Corporate Legal, Company Secretary and  
Chief Compliance Officer

FCS 5189

**Mumbai, April 28, 2021**

### Registered Office

Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054

CIN: L64204MH1959PLC011421

Tel No. 022-26001306 Fax No. 022-26001307

Mail: [info@hathway.net](mailto:info@hathway.net)

Website: [www.hathway.com](http://www.hathway.com)

**ANNEXURE TO THE NOTICE DATED APRIL 28, 2021****Details of Directors retiring by rotation and seeking re-appointment at the meeting:**

<b>Mr. Saurabh Sancheti</b>	
Age	36
Nationality	Indian
Date of First Appointment on the Board	March 29, 2019
Qualification	B. Tech (IIT Roorkee), PGDM (IIM Ahmedabad)
Experience (including expertise in Specific Functional Area) / Brief resume	Over 10 years of experience in multiple sectors
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Saurabh Sancheti who was re-appointed as a Non-Executive Director at the Annual General Meeting held on July 31, 2019 is liable to retire by rotation.
Remuneration last drawn (FY 2020-21)	NIL However, sitting fees was paid for the board meetings attended by him
Remuneration proposed to be paid	NIL However, sitting fees would be paid for the board meetings to be attended
Number of shares held in the Company as on March 31, 2021	NIL
Disclosure of relationships between directors inter-se/ Key Managerial Personnel	Mr. Saurabh Sancheti is not related, directly or indirectly, to any Directors/ Key Managerial Personnel of the Company
Number of meetings of the Board attended during the financial year (2020-21)	Seven
Names of listed entities in which the director holds the directorship and the membership / chairmanship of the Committees of the Board as on March 31, 2021	<p><b>Listed Entities in which the director holds the directorship:</b></p> <ol style="list-style-type: none"> <li>1. Hathway Cable and Datacom Limited</li> <li>2. Den Networks Limited</li> </ol> <p>Mr. Saurabh Sancheti holds membership in Investment and Loan Committee of Hathway Cable and Datacom Limited</p> <p>Mr. Saurabh Sancheti holds membership in 4 committees of Den Networks Limited:</p> <ol style="list-style-type: none"> <li>1. Nomination and Remuneration Committee</li> <li>2. Audit Committee</li> <li>3. Finance Committee</li> <li>4. Risk Management Committee</li> </ol>

<b>Mr. Anuj Jain</b>	
Age	54
Nationality	United States
Date of First Appointment on the Board	March 29, 2019
Qualification	B. Tech (AMU, India) MBA (CSU, San Jose, USA)
Experience (including expertise in Specific Functional Area) / Brief resume	Over 27 years of experience in multiple sectors
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Anuj Jain who was re-appointed as a Non-Executive Director at the Annual General Meeting held on July 31, 2019 is liable to retire by rotation.
Remuneration last drawn (FY 2020-21)	NIL However, sitting fees was paid for the board meetings attended by him
Remuneration proposed to be paid	NIL However, sitting fees would be paid for the board meetings to be attended
Number of shares held in the Company as on March 31, 2021	NIL
Disclosure of relationships between directors inter-se/ Key Managerial Personnel	Mr. Anuj Jain is not related, directly or indirectly, to any Directors/ Key Managerial Personnel of the Company
Number of meetings of the Board attended during the financial year (2020-21)	Three
Names of listed entities in which the director holds the directorship and the membership / chairmanship of the Committees of the Board as on March 31, 2021	<p><b>Listed Entities in which the director holds the directorship:</b></p> <ol style="list-style-type: none"> <li>1. Hathway Cable and Datacom Limited</li> <li>2. Den Networks Limited</li> </ol> <p>Mr. Anuj Jain holds membership in Investment and Loan Committee of Hathway Cable and Datacom Limited</p> <p>Mr. Anuj Jain holds membership in Finance Committee of Den Networks Limited.</p>

**Mumbai, April 28, 2021**

**Registered Office**

Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054

CIN: L64204MH1959PLC011421

Tel No. 022-26001306 Fax No. 022-26001307

Mail: [info@hathway.net](mailto:info@hathway.net)

Website: [www.hathway.com](http://www.hathway.com)

# Directors' Report

Dear Members,

The Board of Directors are pleased to present the Company's 61<sup>st</sup> Annual Report and the Company's audited financial statement for the financial year ended March 31, 2021.

## 1. FINANCIAL RESULTS

The Company's financial performance (Standalone and Consolidated) for the year ended March 31, 2021 is summarized below:-

(₹ in crores)

	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	615.56	567.69	1731.77	1798.39
Other Income	134.30	250.34	142.45	245.75
Profit/(Loss) before Tax	143.60	107.69	278.61	109.57
Less: Current Tax	-	-	0.81	0.12
Deferred Tax	32.45	91.05	24.55	3.98
Profit/(Loss) for the year	111.15	16.64	253.25	105.47
Add: Other Comprehensive Income (OCI)	0.23	0.04	0.62	(0.02)
Total Comprehensive Income for the year	111.38	16.68	253.87	105.45
Add: Opening Balance in Retained Earnings and OCI (Adjusted)	(761.09)	(777.76)	(1335.86)	(1441.31)
Less: Appropriation				
- General Reserve		-		-
Closing Balance of Retained Earnings and OCI	(649.70)	(761.09)	(1081.98)	(1335.86)

## 2. TRANSFER TO RESERVE

The Board of Directors of the Company have not transferred any amount to the Reserves for the year under review.

## 3. RESULTS OF OPERATIONS & STATE OF COMPANY'S AFFAIRS

During the year under review, the total revenue from operations was ₹ 615.56 crores on standalone basis and ₹ 1,731.77 crores on consolidated basis as compared to the last year's revenue of ₹ 567.69 crores on standalone basis and ₹ 1,798.39 crores on consolidated basis respectively. The post-tax profit of your Company was ₹ 111.15 crores on standalone basis and ₹ 253.25 crores on consolidated basis as compared to the last year's post-tax profit of ₹ 16.64 crores on standalone basis and ₹ 105.47 crores on consolidated basis respectively.

## 4. SCHEME OF AMALGAMATION

The Board at its meeting held on February 17, 2020, had approved the Composite Scheme of Amalgamation and Arrangement between the Company, Den Networks Limited, TV18 Broadcast Limited, Network18 Media & Investments Limited, Media18 Distribution Services

Limited, Web18 Digital Services Limited and Digital18 Media Limited and their respective Shareholders and Creditors ("Composite Scheme").

In accordance with the provisions of Regulation 37 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR)), the Composite Scheme was filed with both BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") for obtaining no-objection letter from them.

The stock exchanges had returned the Scheme stating that the Company may apply to the stock exchanges once the Scheme is in compliance with SEBI circulars / SEBI Regulations. This pertained to the compliance by the Company and Den Networks Limited of the Minimum Public Shareholding ("MPS") requirement.

Considering that more than a year has passed from the time the Board considered the Scheme, the Board of the Company has decided not to proceed with the arrangement envisaged in the Scheme.

The Board would like to inform that as on April 27, 2021 the Company is MPS compliant.

## 5. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT

No Material Changes have taken place from the end of the financial year till the date of this report .

## 6. DIVIDEND

The Board of Directors of the Company have not recommended any dividend on Equity Shares for the year under review. The Dividend Distribution Policy of the Company is annexed herewith and marked as **Annexure I** to this Report and the same is put on the Company's website and can be accessed at <https://www.hathway.com/assets/pdf/Policies/Dividend%20Distribution%20Policy.pdf>.

## 7. BUSINESS OPERATIONS/PERFORMANCE OF THE COMPANY AND ITS MAJOR SUBSIDIARIES

The developments in business operations/performance of the Company and its major subsidiaries consolidated with the Company are as below:

### A. Broadband Business

India has around 22.29 Mn wireline broadband subscribers as of December 31, 2020. Customers increasingly prefer wireline broadband as it allows online media consumption and seamless accessibility of data to multiple devices while at home. Due to the increasing trend of COVID-led work from home "WFH", the broadband industry saw a huge increase in demand in many tier 2 and 3 towns as many professionals shifted base to their home towns. Online education also became a key growth driver for broadband in smaller cities.

The Company's focus on increasing FTTH-led technology edge and improving consumer experience through enhanced digitisation and automation helped in increasing the FTTH consumer base by more than 30%.

There was a constant focus on increasing the FTTH network as well as increasing the capacity of the existing FTTH network. In high potential metros like Bangalore and Chennai, network capacity was increased from existing 25% to 40% in selected heavy demand areas. To enable consumers to handle multiple digital engagements from office video calls to online school and OTT consumption needs, all FTTH consumers were given unlimited data resulting in a national average of 200 GB/month/consumer data usage. This shows the level

of engagement of consumers with the Company network. With high-speed unlimited plans, Company also started giving consumers double band routers which allows them to get consistent speed on multiple devices.

To make sure 100% business continuity in many COVID-led lockdowns and other such constraints, Company focussed on re-engineering its customer front-ending processes to make them technology-enabled, so as to drive operational efficiencies and enhanced consumer experience and ensure uninterrupted service to all broadband customers.

Implementation of ChatBOT for queries through Company's App and Company's WhatsApp business account and VoiceBOT for calls at Company's call centre facilitated increased self-service and auto fixing of issues for broadband customers. It also improved the quality of troubleshooting as BOT can monitor many network parameters in a short time to identify the problem which is difficult for call centre agents to do so in the specified timeframe.

The Company assessed an opportunity to increase adjoining market share by offering upto 300 Mbps speed to its premium consumers, which resulted in increase of minimum data limits across country to 200 GB/consumer/month.

The average bandwidth consumption per subscriber is 1.2 Mbps. The average data usage per customer per month has now reached 201 GB in March 2021 exit which shows customers preference of watching online media and reflects the binge-watching culture of users.

During the year under review, the Broadband business revenue stood at ₹ 615.6 crores and the subscribers stood at 1.07 Mn (Previous Years' Broadband business revenue stood at ₹ 567.7 crores and subscribers stood at 0.97 Mn).

### B. Cable Television Business:

Company provides Cable Television Service through Hathway Digital Limited "Hathway Digital"— its wholly owned subsidiary. The Cable Television business strategy for FY21 focussed around taking forward transformation brought by the implementation of the New Tariff Order (NTO) in March 2019. Transparency to end customers and providing them with the freedom to watch television of their choice and enabling LCO partners with the best-in-class technology tool kit to increase their business has been the driving force behind all our industry-first initiatives in FY21.

Apart from further investment in enhancing our systems and technical capabilities to ensure uninterrupted service to esteemed consumers, the following new initiatives were taken this year:

- Automated reminders and additional payment systems through MyJio App and other Wallets
- Customers were provided with a channel selector app from TRAI, Hathway Digital being the first few MSOs to do the same
- New digital eCAF process including IVR-based authentication in addition to OTP process

Hathway Digital has successfully increased engagement with Cable Television consumers by implementing many new DPO packs for all regions. Packaging is based on extensive consumer research and focussed group interviews with the customers along with input from Local Cable Operators (LCO). The percentage of consumers taking DPO packs has increased from 76.6% in March '20 to 83.4% in March '21. Considering the financial impact of the COVID-related situation on many consumers, Hathway Digital also introduced lower ARPU packs focussing on general entertainment channels to support consumers in these challenging times.

Hathway Digital has always taken the lead in bringing path-breaking innovative technological products and offerings to its customers. Living by this philosophy, Hathway Digital has seeded 12.7 lakhs of the new next-generation HD boxes. This new technology has features like time shift which allows forward-rewind on Live TV, consumers can set reminders for their favourite TV shows and can also store up to one TB of content for viewing later on.

These initiatives will help Hathway Digital to increase consumer loyalty and to retain customers for a longer duration as well as get many more new customers. Hathway Digital has also increased engagement with LCO as they are its primary contact point for consumers and partnership with them has been an integral part of Hathway Digital GTM strategy. Specifically, in these challenging times of COVID-19, this engagement was critical as it helped in running the business smoothly despite multiple lockdowns and overall challenging social and economic period.

Below are few initiatives which were undertaken as part of this increased engagement:

- Tie-up with Third-party vendors for offering online payment options for LCO consumers with instant service activation feature.
- Sahayataa Yojana for LCOs, which was launched as an LCO Support Programme in April 2020

where LCOs who were impacted with COVID-19 were provided hospital expenses reimbursed to the extent of ₹ 1 lakh.

- Launched Suraksha Yojana for LCOs, accident policy aimed at providing financial cover for injuries (disability and death). In case of accidental death or total disability, LCOs and their key employees would get financial assistance of up to ₹ 5 lakhs under the Insurance scheme.
- E-Invoicing system developed to facilitate GST Compliance
- Online dashboards for LCOs on the LCO portal to engage and give them the data which will help them to increase their business and the same also being used by Hathway Digital to reward and recognise best performing LCOs.

## 8. CREDIT RATING

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. The details of credit ratings are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

## 9. CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the Companies Act, 2013 ("Act") and SEBI (LODR) read with Ind AS-110 (Consolidated Financial Statement), Ind AS-28 (Investments in Associates and Joint Ventures), the consolidated audited financial statement forms part of the Annual Report.

## 10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review and till the date of this report, companies listed in Part B of **Annexure II** to this Report have become and ceased to be subsidiary, joint venture or associate of the Company.

A statement providing details of performance and salient features of the financial statements of Subsidiary/ Associate/ Joint Venture companies, as per Section 129(3) of the Act, is provided as **Annexure III** to this report.

The audited financial statement including the consolidated financial statement of the Company and all other documents required to be attached thereto is put up on the Company's website and can be accessed at <https://www.hathway.com/About/QuarterlyFinancialResults#>.

The financial statements of the subsidiaries, as required, are put up on the Company's website and can be accessed at <https://www.hathway.com/About/Subsidiaries>. The Company has formulated a policy for determining

Material Subsidiaries and the same is placed on the website of the Company at [https://www.hathway.com/assets/pdf/Policies/Policy%20on%20material%20subsidiaries\\_2014-15\\_11.02.2015.pdf](https://www.hathway.com/assets/pdf/Policies/Policy%20on%20material%20subsidiaries_2014-15_11.02.2015.pdf)

## 11. SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

## 12. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there were no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 13. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI").

The detailed Corporate Governance Report of the Company in pursuance of the SEBI (LODR) forms part of the Annual Report of the Company. The requisite Certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under the SEBI (LODR) is enclosed to the Corporate Governance Report.

## 14. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis.

During the year, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board is put up on the Company's website and can be accessed at [https://www.hathway.com/assets/pdf/Policies/Related%20Party%20Transactions%20Policy\\_16.01.2020.pdf](https://www.hathway.com/assets/pdf/Policies/Related%20Party%20Transactions%20Policy_16.01.2020.pdf)

Members may refer Note 4.13 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS.

## 15. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility ("CSR") Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the objectives set out in the 'Corporate Social Responsibility Policy' ("CSR Policy"). The CSR Policy of the Company, inter alia, covers CSR vision and objective and also provides for governance, implementation, monitoring and reporting framework. During the year, the Board of Directors at its meeting held on July 17, 2020 has approved and adopted revised CSR Policy of the Company.

The CSR Policy may be accessed on the Company's website at <https://www.hathway.com/assets/pdf/Policies/CSR%20Policy.pdf>.

In terms of the CSR Policy, the focus areas of engagement shall be eradicating hunger, poverty, preventive health care, education, rural areas development, gender equality, empowerment of women, environmental sustainability and protection of national heritage, art and culture and other need based initiatives.

During the year under review, the Company has spent ₹ 1.16 crore i.e. 2% of the average net profit of last three financial years on CSR activities.

The Annual Report on CSR activities as stipulated under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith and marked as **Annexure IV** to this Report.

## 16. RISK MANAGEMENT

The Company has adopted detailed and exhaustive Risk Management framework which is designed to enable risks to be identified, analysed, assessed and mitigated appropriately. The Board of Directors of the Company has constituted Risk Management Committee which has inter alia, been entrusted with the responsibility of overseeing effective implementation, monitoring of risk management plan and policy, continuous review and obtaining assurance from the management for timely identifying, managing and mitigating the emerging risk associated with the Company.

Further details on Risk Management activities are covered in Management Discussion and Analysis section, which forms part of the Annual Report.

## 17. INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls commensurate with the size of the business and nature of its operations, designed to provide reasonable assurance with regard to the accuracy and completeness of the accounting records and timely preparation and provision of reliable financial statements.

The internal financial controls have been embedded in the business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, continuous monitoring by functional head and Group Internal Audit Team as well as sample testing of the internal financial control systems by the independent Auditors during the course of their audits.

The Audit Committee quarterly reviews adequacy and effectiveness of Company's Internal Controls and monitors the implementation of audit recommendations, if any.

## 18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Saurabh Sancheti (DIN: 08349457) and Mr. Anuj Jain (DIN: 08351295), Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended their re-appointment.

During the year, Ms. Ameeta Parpia has been re-appointed at the Annual General Meeting of the Company held on

September 25, 2020, for a second term as Independent Director of the Company for a period of five consecutive years with effect from February 11, 2020 to hold office up to February 10, 2025 based on the approval of the Board of Directors on recommendation of NRC, basis her performance evaluation, at its meeting held on January 16, 2020.

In the opinion of the Board, Ms. Ameeta Parpia – a lawyer by profession possesses integrity of highest order, had provided lot of support during her first tenure to the Company management with regard to various legal and regulatory guidance from time to time and accordingly she has the requisite experience and expertise to guide the Company going forward.

Save and except aforementioned, there were no other changes in the Board of Directors and Key Managerial Personnel of the Company.

The Company has received declarations from all Independent Directors of the Company confirming that:

- i) they meet the criteria of independence prescribed under the Act and SEBI (LODR).
- ii) they have registered their names in the Independent Directors' Databank.

The Company has devised the Nomination and Remuneration Policy, which is put up on the Company's website: <https://www.hathway.com/assets/pdf/Policies/NRC%20Policy.pdf>.

The Policy sets out the guiding principles for the NRC for identifying persons who are qualified to become Directors and to determine the independence of Directors, while considering their appointment as Independent Directors of the Company. The Policy also provides for the factors in evaluating the suitability of individual Board members with diverse background and experience that are relevant for the Company's operations.

The Policy also sets out the guiding principles for the NRC for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

There has been no change in the aforesaid policy during the year.

## 19. PERFORMANCE EVALUATION

The Company has a policy for performance evaluation of the Board, Committees and other Individual Directors which include criteria for performance evaluation of Non-Executive Directors and Independent Directors.

The annual performance evaluation of the Board, its Committees and Individual Directors was carried out during the year by the NRC. A consolidated report was shared by the NRC with the Chairman of the Board for his review and giving feedback to each Director. The Independent Directors carried out annual performance evaluation of the Chairman, the Non-Independent directors and the Board as a whole.

## 20. AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

M/s. Nayan Parikh & Co. Chartered Accountants (Firm Registration No.107023W) were appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 15, 2017. They have confirmed their eligibility and qualifications required under the Act for holding office as Statutory Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

### Secretarial Auditor

The Board of Directors of the Company had appointed M/s. Rathi & Associates to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith and marked as **Annexure V** to this Report.

The observation on MPS made by Secretarial Auditor in his Secretarial Audit Report is self explanatory. The Board would like to inform that as on April 27, 2021 the Company is MPS compliant.

### Cost Auditor

The Board of Directors of the Company had appointed M/s. Ashok Agarwal & Co., Cost Accountant, as Cost Auditor of the Company for conducting the audit of the cost records relating to ISP Operations of the Company for the financial year 2020-21 under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records.

## 21. DISCLOSURES

### Meetings of the Board

During the financial year ended on March 31, 2021, 7 (Seven) Board Meetings were held. Further, details of the meetings of the Board and its Committees are given

in the Corporate Governance Report, which forms part of the Annual Report.

### Audit Committee

The Audit Committee of the Company comprises of Mr. Shridhar Gorthi (Chairman), Mr. Sasha Mirchandani, Mr. Viren Raheja and Ms. Ameeta Parpia as Members. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

### CSR Committee

The CSR Committee comprises of Mr. Viren Raheja (Chairman), Mr. Shridhar Gorthi and Mr. Rajan Gupta as Members.

### NRC

The NRC comprises of Mr. Sasha Mirchandani (Chairman), Mr. Sridhar Gorthi, Mr. Viren Raheja and Mr. Akshay Raheja as Members.

### Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Ms. Ameeta Parpia (Chairperson), Mr. Viren Raheja and Mr. Rajan Gupta as Members.

### Risk Management Committee

The Risk Management Committee comprises of Ms. Ameeta Parpia (Chairperson), Mr. Rajan Gupta and Mr. Ajay Singh as Members.

### Business Responsibility Committee

The Business Responsibility Committee comprises of Mr. Rajan Gupta (Chairman) and Mr. Viren Raheja as Member.

As required under Regulation 34(2)(f) of SEBI (LODR), your Company has published the Business Responsibility Report on its website which can be accessed through web link [https://www.hathway.com/assets/pdf/Annual%20Report/Business%20Responsibility%20Report\\_2020-21.pdf](https://www.hathway.com/assets/pdf/Annual%20Report/Business%20Responsibility%20Report_2020-21.pdf).

The details of the dates of the meetings, attendance and terms of reference of each of the Committees are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

## 22. VIGIL MECHANISM

The Company promotes ethical behaviour in all its business activities. Towards this, the Company has adopted a Policy on Vigil Mechanism and whistle blower policy. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Compliance Officer or to the Chairman of the Audit Committee. The Audit Committee also reviews complaints/issues(if any) raised through Vigil Mechanism or by any Whistle blower on a quarterly basis.

The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at [https://www.hathway.com/assets/pdf/Policies/Vigil%20Mechanism%20Policy\\_2014-15\\_29.05.2014.pdf](https://www.hathway.com/assets/pdf/Policies/Vigil%20Mechanism%20Policy_2014-15_29.05.2014.pdf). During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism and Whistle Blower Policy of the Company was received by the Company.

## 23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company, being a Company providing Infrastructural facilities, is exempted from the provisions of Section 186 of the Act relating to loan and guarantee given, and security provided by the Company.

## 24. PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

In accordance with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed Internal Committee for various work places to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a policy for prevention of Sexual Harassment, which ensures a free and fair enquiry process with clear timelines for resolution. There were no cases/complaints filed during the year under POSH Act.

## 25. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure VI** to this Report.

## 26. ANNUAL RETURN

As required under Section 134(3)(a) of the Act, the Annual Return is available on the Company's website and can be accessed at [https://www.hathway.com/assets/pdf/Annual%20Report/Annual%20Return%20AGM\\_2021.pdf](https://www.hathway.com/assets/pdf/Annual%20Report/Annual%20Return%20AGM_2021.pdf).

## 27. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company on email id [info@hathway.net](mailto:info@hathway.net).

## 28. GENERAL

The Board of Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability pertaining to these matters during the year under review:

- i) Details relating to deposits covered under Chapter V of the Act.
- ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- iii) Issue of shares (including sweat equity shares and Employees' Stock Options Schemes) to employees of the Company under any scheme.
- iv) Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- v) Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company.
- vi) Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- vii) Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director of the Company.
- viii) change in the nature of business of the Company.
- ix) Instances of transferring the funds to the Investor Education and Protection Fund.
- x) Issue of debentures/bonds/warrants/any other convertible securities.
- xi) Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.
- xii) Instance of one-time settlement with any Bank or Financial Institution.

xiii) Statement of deviation or variation in connection with preferential issue.

## 29. ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received

from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**For and on behalf of the Board**

sd/-

**Rajan Gupta**

Managing Director  
DIN 07603128

sd/-

**Saurabh Sancheti**

Non-Executive Director  
DIN 08349457

Place: Mumbai

Date: April 28, 2021

### **Registered Office**

Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054

CIN: L64204MH1959PLC011421

Tel No. 022-26001306 Fax No. 022-26001307

Mail: [info@hathway.net](mailto:info@hathway.net)

website: [www.hathway.com](http://www.hathway.com)

## Annexure- I

## DIVIDEND DISTRIBUTION POLICY

This Policy aims to regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions of Companies Act, 2013 ("the Act") read with the applicable rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, as may be in force for the time being.

**Preamble:**

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of profits generated by the Company. The profits earned by the Company can either be retained in business to use for acquisitions, expansion or diversification or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to balance between dividend payout and profits to be retained.

**Objective:**

The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company and to strike the right balance between the quantum of dividend and amount of profits to be retained in the business for future requirements. The Board of Directors will refer to the policy while declaring/recommending dividends on behalf of the Company. Through this policy, the Company would endeavor to maintain a consistent approach to dividend payout plans but various factors having impact on the profits and operations of the Company will be required to be considered before recommending / declaring dividends.

The Company operates in the high potential and fast growing business segment which offers huge investment opportunities. Therefore, the retention of surplus funds for future growth will override considerations of returning cash to the shareholders. In case in future, the Company generates profit and decides to pay dividend to its shareholders, in this context, it is important to provide clarity on dividend payout philosophy of the Company.

**Category of Dividends:**

The Act provides for two forms of Dividend i.e. Final & Interim. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in Annual General Meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

**I. Final Dividend:-**

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors

of the Company has the power to recommend the payment of Final Dividend to the shareholders in Annual General Meeting. The declaration of Final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

Process for approval of Payment of Final Dividend:

- Consider distributable profits arrived at as per the audited financial statements;
- The Board to recommend quantum of final dividend payable to shareholders in its meeting in line with this Policy;
- Shareholders to approve the same in Annual General Meeting;
- Payment to be made to shareholders within stipulated period;

**II. Interim Dividend:-**

This form of dividend can be declared by the Board of Directors for such number of time in a financial year as it may be deemed fit. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy. Normally, the Board would consider declaring an interim dividend after finalization of quarterly (or half yearly) financial accounts. This would be in order to supplement the annual dividend or in exceptional circumstances.

Process for approval of Payment of Interim Dividend:

- Board may declare Interim Dividend at its complete discretion in line with this Policy;
- Based on profits arrived at as per quarterly (or half yearly) financial statements including exceptional items;
- Payment to be made to shareholders within stipulated period;

**Factors to be considered while declaring Dividend:**

The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in the Company. The Board of Directors will endeavor to take a decision with an objective to enhance shareholders wealth and market value of the shares. However, the decision regarding payout is subject to several factors and hence, any optimal policy in this regard may be far from obvious.

The Dividend pay-out decision of be decided after consideration of factors, such as:

**(i) External Factors:-**

**State of Economy-** in case of uncertain or recessionary economic and business conditions, Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks.

**Capital Markets-** when the markets are favourable, dividend payout can be liberal. However, in case of unfavorable market conditions, the Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

**Statutory Restrictions-** The Board will keep in mind the restrictions imposed by Companies Act, 2013, as amended from time to time, with regard to declaration of dividend.

**(ii) Internal Factors:-**

Apart from the various external factors aforementioned, the Board will take into account various internal factors while declaring Dividend, which inter alia will include-

- i) Profits earned during the year;
- ii) Present & future Capital requirements of the existing businesses;
- iii) Brand/ Business Acquisitions;
- iv) Expansion/ Modernization of existing businesses;

- v) Additional investments in subsidiaries/associates of the Company;
- vi) Fresh investments into external businesses;
- vii) Any other factor as deemed fit by the Board.

**Dividend Range:**

Dividend Range will be dependent on Internal and External factors and completely at the discretion of the Board.

However, in case of sudden change in global and domestic business environment, political situation, volatility in the market, unfavourable market conditions or such other factors which the Board considers having impact on the operations and/or margins of the Company, the Board should refrain from recommending any dividend till the time market and such other factors become conducive for the business of the Company.

**Parameters for distribution of dividends for various classes of shares:**

Presently the Company has only one class of share i.e. Equity Share and there are no plans for issue of any other class of share. However, as and when the Company plans to issue any other classes of shares, the Policy will be modified suitably to include the parameters for distribution of dividend.

**Review:**

This Policy will be reviewed as and when the Board may deem fit.

## Annexure- II

The details of Companies, which have become/ceased to be Company's Subsidiaries, Joint Venture and Associates as per the provisions of the Companies Act, 2013, during the financial year 2020-21 are as below:

Sr. No.	Particulars	Details
I.	Company which became Subsidiary during the Financial year 2020-21	Subsequent to the acquisition of balance 49% of equity shares, Hathway Digital Saharanpur Cable & Datacom Limited has become wholly owned subsidiary.
II.	Company which ceased to be Subsidiary during the Financial year 2020-21	Hathway Palampur Cable Network Private Limited ceased to be subsidiary Company on sale of 51% of equity share held by the Company.
III.	*Companies which ceased to be Wholly Owned Subsidiary during the financial year 2020-21	<ol style="list-style-type: none"> <li>Hathway Krishna Cable Limited</li> <li>Hathway Mysore Cable Network Limited</li> <li>Hathway Software Developers Limited</li> <li>UTN Cable Communications Limited</li> <li>Hathway New Concept Cable &amp; Datacom Limited</li> <li>Hathway CNet Limited</li> <li>Hathway Gwalior Cable &amp; Datacom Limited</li> <li>Ideal Cables Limited</li> <li>Bee Network &amp; Communication Limited</li> <li>Binary Technology Transfers Limited</li> <li>Hathway Broadband Limited</li> <li>Hathway Enjoy Cable Network Limited</li> <li>Hathway Internet Satellite Limited</li> <li>Hathway JMD Farukhabad Cable Network Limited</li> <li>Hathway Media Vision Limited</li> <li>Hathway Space Vision Cabletel Limited</li> <li>Hathway United Cables Limited</li> <li>ITV Interactive Media Limited</li> <li>Liberty Media Vision Limited</li> <li>Vision India Network Limited</li> <li>Win Cable and Datacom Limited</li> <li>Hathway Digital Saharanpur Cable &amp; Datacom Limited</li> </ol>
IV.	Companies/Bodies Corporate which became/ceased to be Joint Venture or Associates during the Financial year 2020-21	Net 9 Online Hathway Private Limited ceased to be Joint Venture Company on sale of 50% of equity share held by the Company.

\*Subsequent to Sale of Stake held in 22 wholly owned subsidiary (WOS) to Hathway Digital Limited, Wholly Subsidiary Company, from March 10, 2021, the 22 WOS have become Subsidiary Companies.

For and on behalf of the Board

sd/-  
**Rajan Gupta**  
Managing Director  
DIN 07603128

sd/-  
**Saurabh Sancheti**  
Non-Executive Director  
DIN 08349457

Place: Mumbai

Date: April 28, 2021

**Registered Office**

Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054

CIN: L64204MH1959PLC011421

Tel No. 022-26001306 Fax No. 022-26001307

Mail: [info@hathway.net](mailto:info@hathway.net)

website: [www.hathway.com](http://www.hathway.com)

## AOC - I

## Part - A

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES,  
PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (ACCOUNTS) RULES, 2014**

Reporting period : 01/04/2020 to 31/03/2021 and Reporting Currency in INR  
(₹ In crores unless Otherwise Stated)

Sr. No.	Name of the Subsidiary	Note	Date of Acquisition	Equity Share Capital	Other Equity <sup>5</sup>	Total Assets	Total Liabilities	Total Investments	Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Channels India Network Private Limited		20/04/1995	0.09	-1.41	0.02	1.34	-	0.00 <sup>8</sup>	-	-	-	NA	95.63%
2	Vision India Network Limited	1	07/04/1998	2.14	-2.12	2.05	2.03	-	0.07	0.03	-	0.03	N.A	100.00%
3	Liberty Media Vision Limited	1	07/04/1998	2.25	-2.23	2.32	2.30	-	0.08	0.05	-	0.05	N.A	100.00%
4	Ideal Cables Limited	1	07/04/1998	0.73	-0.72	0.66	0.64	-	0.16	0.14	-	0.14	NA	100.00%
5	Hathway Channel 5 Cable & Datacom Private Limited		07/04/1998	0.49	-0.16	4.16	3.83	-	0.00 <sup>8</sup>	-0.00	-	-0.00	N.A	51.00%
6	Bee Network and Communication Limited	1	07/04/1998	1.34	-1.32	1.24	1.22	-	0.14	0.12	0.00	0.12	NA	100.00%
7	Elite Cable Network Private Limited		07/04/1998	0.06	-0.08	-	0.02	-	0.00 <sup>8</sup>	-	-	-	NA	80.00%
8	Binary Technology Transfers Limited	1	07/04/1998	1.67	-1.65	1.66	1.64	-	0.03	-0.00	-	-0.00	NA	100.00%
9	Hathway Media Vision Limited	1	13/08/1998	0.07	0.88	2.59	1.65	1.85	2.99	2.98	0.84	2.14	N.A	100.00%
10	UTN Cable Communications Limited	1	31/05/1999	6.13	-5.91	9.72	9.50	-	27.19	18.12	-	18.12	N.A	100.00%
11	ITV Interactive Media Limited	1	09/09/1999	0.23	-0.21	0.18	0.16	-	0.29	0.29	-	0.29	N.A	100.00%
12	Chennai Cable Vision Network Private Limited	30/09/1999	0.18	-2.18	0.00	2.00	2.00	-	0.00 <sup>8</sup>	-	-	-	NA	75.99%
13	Win Cable and Datacom Limited	1	15/03/2000	20.11	-20.09	20.43	20.41	-	0.01	-0.18	-	-0.18	N.A	100.00%
14	Hathway Space Vision Cabletel Limited	1	15/03/2000	1.09	-1.07	1.08	1.06	-	0.00 <sup>8</sup>	-0.02	0.00	-0.02	NA	100.00%
15	Hathway Software Developers Limited	1	21/03/2000	2.26	-2.08	5.28	5.09	0.00	18.97	13.42	-	13.42	N.A	100.00%
16	Hathway Nashik Cable Network Private Limited		17/06/2000	0.05	-10.45	0.00	10.40	-	0.00 <sup>8</sup>	-0.00	-	-0.00	N.A	90.06%
17	Hathway CNet Limited	1	27/07/2000	0.13	-0.12	0.06	0.04	-	0.42	0.42	0.00	0.41	NA	100.00%
18	Hathway United Cables Limited	1	01/12/2000	0.03	-0.01	0.04	0.03	0.00	0.15	0.15	-	0.15	NA	100.00%
19	Hathway Internet Satellite Limited	1	01/01/2001	1.68	-1.66	1.67	1.65	-	0.01	-0.02	-	-0.02	NA	100.00%
20	Hathway Krishna Cable Limited	1	22/07/2002	9.69	-9.49	5.59	5.39	0.00	20.01	12.91	-	12.91	N.A	100.00%
21	Hathway Mysore Cable Network Limited	1	29/11/2003	6.35	-6.16	6.92	6.73	0.00	22.25	14.64	-	14.64	N.A	100.00%
22	Hathway Prime Cable & Datacom Private Limited		03/02/2006	0.45	-0.52	0.23	0.31	-	0.00 <sup>8</sup>	-	-	-	N.A	51.00%
23	Hathway Gwalior Cable & Datacom Limited	1	01/05/2007	0.45	-0.43	0.49	0.47	-	0.16	0.16	-	0.16	N.A	100.00%
24	Hathway Digital Saharanpur Cable & Datacom Limited	1	01/03/2008	0.02	0.02	0.36	0.32	-	-0.29	-0.30	0.15	-0.46	N.A	100.00%
25	Hathway Enjoy Cable Network Limited	1	07/06/2007	0.03	-0.01	0.03	0.01	-	0.00 <sup>8</sup>	-0.00	-	-0.00	N.A	100.00%

(₹ In crores unless Otherwise Stated)

Sr. No.	Name of the Subsidiary	Note	Date of Acquisition	Equity Share Capital	Other Equity <sup>5</sup>	Total Assets	Total Liabilities	Total Investments	Total Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
26	Hathway JMD Farukhabad Cable Network Limited	1	01/05/2007	0.03	-0.01	0.03	0.01	-	0.00 <sup>8</sup>	-0.00	-	-0.00	N.A	100.00%
27	Hathway Kokan Crystal Cable Network Limited		01/11/2011	0.15	-2.24	3.34	5.43	-	4.87	0.21	0.09	0.12	N.A	96.36%
28	Hathway Latur MCN Cable & Datacom Private Limited		15/01/2008	0.10	0.33	2.04	1.61	-	7.70	0.61	0.19	0.41	N.A	51.00%
29	Hathway MCN Private Limited		01/06/2007	1.89	7.58	12.18	2.71	0.41	25.45	3.16	0.95	2.21	N.A	51.00%
30	Hathway Sonali OM Crystal Cable Private Limited		01/06/2008	0.10	-11.75	2.08	13.73	-	0.04	-0.20	0.07	-0.28	N.A	68.00%
31	Hathway ICE Television Private Limited		15/10/2007	0.20	-0.81	1.04	1.65	-	-	-0.00	-	-0.00	N.A	51.00%
32	Hathway Digital Limited		31/12/2007	355.73	1,320.36	1,968.96	292.86	807.71	1,087.23	11.43	-8.53	19.96	N.A	100.00%
33	Hathway New Concept Cable & Datacom Limited	1	01/09/2008	0.42	-0.13	8.21	7.92	-	7.33	3.37	-	3.37	N.A	100.00%
34	Hathway Sai Star Cable & Datacom Private Limited		01/09/2008	0.16	31.92	53.62	21.54	-	42.29	-3.29	-	-3.29	N.A	51.00%
35	Hathway Cable MCN Nanded Private Limited	3	17/06/2008	3.36	-1.79	2.62	1.06	-	10.99	1.07	0.27	0.80	N.A	45.05%
36	Hathway Mantra Cable & Datacom Limited		30/08/2008	0.01	-17.66	6.54	24.19	-	12.91	0.91	-	0.91	N.A	100.00%
37	Hathway Dattatray Cable Network Private Limited		13/05/2009	0.04	-1.46	6.01	7.42	-	18.59	4.18	-	4.18	N.A	51.00%
38	Hathway CBN Multinet Private Limited	1	01/07/2008	0.05	1.16	6.44	5.23	-	5.17	-0.08	-	-0.08	N.A	51.00%
39	Hathway CCN Multinet Private Limited	1	01/07/2008	0.48	3.07	10.39	6.85	-	6.97	0.06	-	0.06	N.A	51.00%
40	Hathway CCN Entertainment (India) Private Limited	1	01/07/2008	0.50	1.16	6.35	4.69	-	7.85	0.16	-	0.16	N.A	51.00%
41	Hathway Bhaskar CCN Multi Entertainment Private Limited	1	29/09/2011	0.01	-0.05	0.63	0.67	-	0.00 <sup>8</sup>	-0.01	-	-0.01	N.A	70.00%
42	Hathway Bhawani Cabletel & Datacom Limited	2	31/08/2009	8.10	-7.29	3.59	2.78	0.35	4.41	1.37	0.30	1.07	N.A	51.60%
43	Hathway Bhawani NDS Network Limited	4	13/10/2010	1.55	-0.88	0.76	0.10	0.00	1.13	0.02	0.02	-0.00	N.A	26.32%
44	Hathway Broadband Limited	1	15/10/2014	2.50	1.01	3.54	0.02	-	0.19	0.18	0.05	0.13	N.A	100.00%

#### Notes

- Held through wholly owned subsidiary Hathway Digital Limited
- Partly held directly by Hathway Cable and Datacom Limited and partly through its subsidiary Hathway Media Vision Limited
- Held through its subsidiary Hathway MCN Private Limited and has control over the composition of the Board of Directors.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Limited
- Other Equity includes Reserves and Surplus
- Names of subsidiaries which are yet to commence operations  
NIL
- Names of subsidiaries which have been liquidated or sold during the year  
Hathway Palampur Cable Network Private Limited  
Net 9 Online Hathway Private Limited
- Amount less than ₹ 50,000/-

## AOC - I

### PART - B:

Statement pursuant to section 129(3) of the Companies Act, 2013 relating to Associate Companies and Joint Ventures

(₹ In crores unless Otherwise Stated)

Sr. No.	Name of Associates/Joint Ventures	GTPL Hathway Limited	Pan Cable Services Private Limited	Hathway VCN Cablenet Private Limited	Hathway SS Cable & Datacom LLP
1	<b>Latest Audited Balance Sheet</b>	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
2	<b>Date of Acquisition</b>	October 12, 2007	May 10, 1995	March 18, 2009	September 30, 2012
3	<b>Shares of Associate/Joint Ventures held by the Company on the year end</b>				
	No.	41972694	10	12520	-
	Amount of Investment in Associates/Joint Venture	168.75	0.00 <sup>4</sup>	0.10	0.00 <sup>4</sup>
	Extent of Holding %	37.32%	33.33%	25.03%	51.00%
4	<b>Description of how there is significant influence</b>	By virtue of holding more than 20% of the total share capital of the Company.	The Holding Company by virtue of the Share Holding Agreement signed with JV Partners, has power to participate in the Operations and Financial activities of the Company	By virtue of control over composition of Board of Directors of the Company	By virtue of joint arrangement whereby the Company has joint control and has the rights to the net assets of the arrangement.
5	<b>Reason why the Associate/Joint Venture is not Consolidated</b>	NA	NA	NA	NA
6	<b>Networth attributable to Shareholding as per latest audited Balance sheet</b>	280.87	-0.21	-1.74	-0.67
7	<b>Profit/Loss for the year</b>				
	(i) Considered in Consolidation	70.34	0.00	0.28	0.61
	(ii) Not Considered in Consolidation	NA	NA	NA	NA

#### Notes:

- The investment in equity shares of Hathway Patiala Cable Private Limited was being classified as investment in Joint Venture. However, as the Management no longer intended to exercise its influence in operations of Hathway Patiala Cable Private Limited, such equity interest in Hathway Patiala Cable Private Limited was reclassified and measured as financial assets in terms of Ind AS 109 since financial year 2017-18.
- Names of associates or joint ventures which are yet to commence operations.  
- Nil
- Names of associates or joint ventures which have been liquidated or sold during the year  
- Nil
- Amount less than ₹ 50,000/-

For and on behalf of the Board

sd/-  
**Saurabh Sancheti**  
Director  
DIN : 08349457

sd/-  
**Rajan Gupta**  
Managing Director  
DIN : 07603128

sd/-  
**Ajay Singh**  
Head Corporate Legal, Company Secretary & Chief Compliance Officer  
FCS No. - 5189

Place: Mumbai  
Date: April 28, 2021

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

### 1. Brief outline of the Company's CSR Policy

Refer to the Section on Corporate Social Responsibility in the Board's report.

### 2. Composition of the CSR Committee

Sl. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Viren Raheja	Chairman, Non Executive Director	2	2
2.	Mr. Rajan Gupta	Member, Managing Director	2	2
3.	Mr. Sridhar Gorthi	Member, Independent Director	2	2

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

Composition of CSR Committee	<a href="https://www.hathway.com/assets/pdf/Compliance Report/2019-2020/Directory/Composition of the Committees of Board of Directors_16.10.2019.pdf">https://www.hathway.com/assets/pdf/Compliance Report/2019-2020/Directory/Composition of the Committees of Board of Directors_16.10.2019.pdf</a>
CSR Policy	<a href="https://www.hathway.com/assets/pdf/Policies/CSR Policy.pdf">https://www.hathway.com/assets/pdf/Policies/CSR Policy.pdf</a>
CSR projects approved by the Board	Not Applicable

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable for the financial year under review**

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable for the financial year under review**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
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### 6. Average net profit of the Company for last three financial years : ₹ 580,697,735

### 7. a. Prescribed CSR Expenditure: ₹ 11,613,960

(two percent of average net profit of the Company as per Section 135 (5))

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

c. Amount required to be set off for the financial year, if any: NIL

d. Total CSR obligation for the financial year (7a+7b-7c): ₹ 11,613,960

### 8. a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11,613,960	NIL			NIL	

b. Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable for the financial year under review**

c. Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No.)	Location of the project		Amount spent for the project (in ₹).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number

#### EDUCATION

1.	Scholarship and Education Support	Cl. (ii) Promoting Education	Yes	Maharashtra	Mumbai	1,613,960	No	Reliance Foundation	CSR00000623
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#### RURAL DEVELOPMENT

2.	Sustainable Livelihoods Programme	Clause (i) Eradicating hunger, poverty and malnutrition; Clause (x) rural development projects;	Yes	Maharashtra	Mumbai	10,000,000	No	Reliance Foundation	CSR00000623
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<b>TOTAL</b>	<b>11,613,960</b>
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d. Amount spent in Administrative Overheads: NIL

e. Amount spent on Impact Assessment, if applicable: Not Applicable

f. Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 11,613,960

g. Excess amount for set off, if any: NIL

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any	Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)
					Date of transfer
				Not Applicable	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

**For and on behalf of the Board**

sd/-

**Rajan Gupta**

Managing Director  
DIN 07603128

sd/-

**Viren Raheja**

Chairman of the CSR Committee  
(Non-Executive Director)  
DIN 00037592

Place: Mumbai

Date: April 28, 2021

**Registered Office**

Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054

CIN: L64204MH1959PLC011421

Tel No. 022-26001306 Fax No. 022-26001307

Mail: [info@hathway.net](mailto:info@hathway.net) | website: [www.hathway.com](http://www.hathway.com)

## Annexure- V

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members

**HATHWAY CABLE AND DATACOM LIMITED**

Rahejas, 4<sup>th</sup> Floor,

Corner of Main Avenue, V.P. Road,

Santacruz (West),

Mumbai – 400 054

Dear Sirs,

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Hathway Cable and Datacom Limited (hereinafter called “the Company”) for the financial year ended on March 31, 2021, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable: -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").
- vi. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report: -
  - a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and
- vii. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings were not attracted to the Company under the financial year under report.
- viii. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof,

on test-check basis, the Company has complied with the following laws specifically applicable to the Company:

- Indian Wireless Telegraphy Act, 1933;
- Telecom Regulatory Authority of India Act, 1997;
- Indecent Representation of Women (Prohibition) Act, 1986; and
- Information Technology Act, 2000.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standard, etc. mentioned above subject to the following observation:

*Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957, pertaining to the requirement for every listed company (other than public sector company) to maintain public shareholding of at least twenty-five percent, whereas as on March 31, 2021, the public shareholding in the Company was 13.39%.*

#### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including one-woman director in compliance with the provisions of the Companies Act, 2013 and LODR Regulations. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

Except in case of meetings convened at a shorter notice, adequate Notice was given to all Directors to schedule the Board meetings and the agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

#### **We further report that :**

- The Board of Directors at its meeting held on April 23, 2020, approved acquisition of 49% stake (9,800 Equity Shares of ₹ 10/- each) from existing shareholders of Hathway Digital Saharanpur Cable & Datacom Private Limited and sale of the Company's 51% stake (15,300 Equity Shares of ₹ 10/- each) to other existing shareholders of Hathway Palampur Cable Network Private Limited; and
- The Board of Directors at its meeting held on March 9, 2021, approved sale of its entire stake/investments in 22 Wholly Owned Subsidiaries to Hathway Digital Limited, a material subsidiary company and sale of its entire stake/ investment in Net9 Online Hathway Private Limited (Joint Venture Company) to other Joint Venture Partner.
- The Board of Directors vide Resolution by circulation passed on April 20, 2021, decided not to proceed with the arrangement envisaged in the Composite Scheme of Amalgamation and Arrangement between the Company, Den Networks Limited, Network18 Media & Investments Limited, TV18 Broadcast Limited, Media18 Distribution Services Limited, Web18 Digital Services Limited and Digital18 Media Limited and their respective shareholders and creditors.
- The Promoters of the Company made offer for sale of 20,54,43,340 equity shares representing 11.61% of the total issued and paid-up equity share capital of the Company in accordance with the provisions of the applicable SEBI Circulars. Pursuant to the said offer for sale, effective April 27, 2021, the public shareholding of the Company has increased from 13.39 % to 25%.

**For RATHI & ASSOCIATES**  
 COMPANY SECRETARIES

Sd/-  
**HIMANSHU S. KAMDAR**  
 PARTNER  
 FCS: 5171  
 COP: 3030

Place: Mumbai  
 Date: April 28, 2021  
 UDIN: F005171C000203072

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

## ANNEXURE

To  
The Board of Directors of  
**HATHWAY CABLE AND DATACOM LIMITED**  
Rahejas 4<sup>th</sup> Floor,  
Corner of Main Avenue,  
V.P. Road, Santacruz (West),  
Mumbai – 400 054

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For RATHI & ASSOCIATES**  
COMPANY SECRETARIES

Sd/-  
**HIMANSHU S. KAMDAR**  
PARTNER  
FCS: 5171  
COP: 3030

Place: Mumbai  
Date: April 28, 2021  
UDIN: F005171C000203072

Annexure- VI

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

- (i) **Steps taken for conservation of energy:**

During the year under review, the Company was not engaged in any manufacturing or processing activity. Considering the nature of the Company's business, there is no reporting to be made on conservation of energy in its operations.

Notwithstanding this, the Company recognises the importance of energy conservation in decreasing the adverse effects of global warming and climate change. The Company carries on its activities in an environmental friendly and energy efficient manner.
- (ii) **Steps taken by the Company for utilizing alternate sources of energy:**

Nil
- (iii) **The capital investment on energy conservation equipment:**

Nil

B. Technology Absorption

- (i) **Major efforts made towards technology absorption:**

The Company has not entered into any technology agreement or collaborations.

- (ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:**

None
- (iii) **Information regarding imported technology (Imported during last three years):**

The Company has not imported any technology during the last three years.
- (iv) **Expenditure incurred on research and development:**

None

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows	-	NIL
(Previous Year ₹ NIL)		
Foreign Exchange outgo in terms of actual outflows -	-	₹ 66.12 crore
(Previous Year ₹ 44.89 crore)		

For and on behalf of the Board

sd/-  
**Rajan Gupta**  
Managing Director  
DIN 07603128

sd/-  
**Saurabh Sancheti**  
Non-Executive Director  
DIN 08349457

Place: Mumbai  
Date: April 28, 2021

**Registered Office**  
Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054  
CIN: L64204MH1959PLC011421  
Tel No. 022-26001306 Fax No. 022-26001307  
Mail: [info@hathway.net](mailto:info@hathway.net) | [website: www.hathway.com](http://www.hathway.com)

# Management Discussion & Analysis

## GLOBAL ECONOMY OVERVIEW

It's becoming increasingly clear that COVID-19 has permanently changed many of the media and entertainment habits and preferences of consumers, while increasing the velocity of the forces buffeting industry participants. The organizations that will thrive in the new world will do so by moving assertively with purpose and strategic intent. Here are five trends to watch in 2021 as we are grappling with the second wave of the pandemic, which seems significantly more intense in terms of its impact.

### The industry is under renovation

EY research released at the beginning of 2020 – before the global pandemic hit in full force – found that 50% of media and entertainment executives believe they can no longer rely on traditional business models to drive future growth, highlighting the imperative for strategic and operational reinvention.

The impacts of COVID-19 on the economy and consumer behaviour accelerated and amplified long- running changes, including streaming growth, cord cutting, fading movie attendance and an increased focus on the price-value relationship embedded.

In consumer decision-making on media spending. COVID-19 also resulted in shorter-term cyclical shock. Lockdowns and travel restrictions walloped businesses that rely on the physical aggregation of people – most notably sports, concerts, conferences, and content production. Industry leaders are responding by taking bold steps to reposition their companies to align with new market realities.

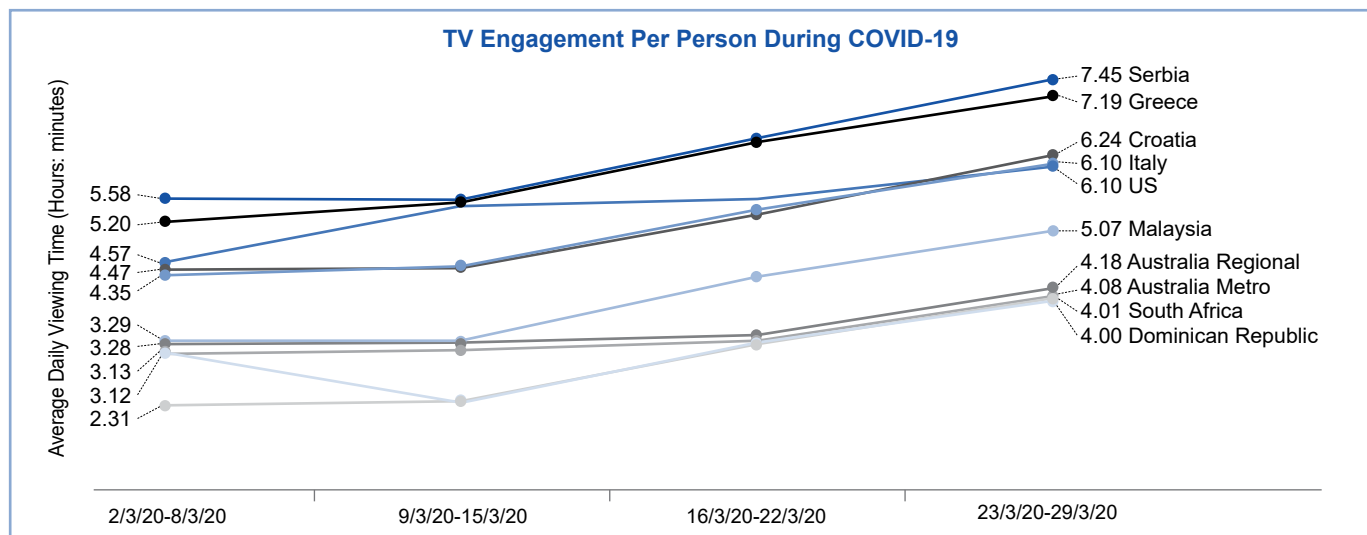
As we move into 2021, the sweeping operational restructuring actions already announced by several media majors will take hold throughout the industry. A primary motive is cost reduction, of course. Releasing cash for redeployment into growth investment is essential. However, the changing dynamics in the industry is forcing companies to rethink their fundamental structure and go to market strategy with their products and services.

The steps taken by media and entertainment companies to streamline the cost base and optimize the operating model for efficiency and effectiveness will remain on center stage as the entire industry plots a course through disruption.

2020 presented us with monumental challenges – as individuals, as businesses, as society. However, there were some silver linings as well. Several digital trends accelerated their trajectory, fed by growth in broadband, personal devices and smart televisions, and the time and inclination to try online services.

Consequently, M&E businesses had to accelerate some of the changes that they had started and to relook at their customer engagement models as new demand-side patterns emerged. This new reality also placed increased importance on understanding consumer behaviour to better engage with them. India's diversity and scale will continue to fuel the growth of traditional media, but equally exciting is the fact that there are a number of new and big opportunities for M&E businesses. And we're already seeing the Industry embrace these changes and chart a new growth path.

## Being Home Bound is Leading to increase in TV Engagement Across Countries Globally



Source: Nielsen, Ad Intel, Jan 2019-8 March 2019 vs the same period for 2020. TV advertising volume

## Younger Audiences watch online while gen x and Boomers watch TV: US & UK

% who say they've started consuming or are consuming more of the following since the outbreak	All %	U.S. %	UK %	Gen Z %	Millennials %	Gen X %	Boomers %
Broadcast TV	38	39	34	24	35	45	42
Online Videos (e.g. YouTube / TikTok)	38	39	30	51	44	35	11
Online TV / streaming films	37	38	30	38	41	38	21
Online press	29	30	23	21	36	31	15
Music-streaming	28	30	18	28	35	27	12
Video games	24	25	21	31	31	19	10
Radio	22	23	18	17	26	23	15
Livestreams	22	24	12	17	30	21	9
Books / literature	19	20	17	18	20	21	13
Podcasts	13	13	8	11	20	10	4
Physical press	11	12	7	9	19	7	7
None of these	15	13	20	10	10	17	24

**Source:** Global Web Index surveyed 4,000 internet users between the ages of 16-64 across the U.S & UK to find out how the COVID-19 outbreak has changed their media consumption

### Audience Definitions

Gen Z - 16-23 years

Gen X - 38-56 years

Gen Y - 24-37 years

Baby Boomers - 57-64 years



## Global economy

Global economy is emerging from the collapse triggered by the pandemic, the recovery is projected to be subdued. Limiting the spread of the virus, providing relief for vulnerable populations, and overcoming vaccine-related challenges are key immediate priorities. Global economic output is expected to expand 4 percent in 2021 but still remain more than 5 percent below its pre-pandemic trend. Global growth is projected to moderate to 3.8 percent in 2022, weighed down by the pandemic's lasting damage to potential growth.

Aggressive policy actions by central banks kept the global financial system from falling into crisis last year. Abundant credit issuance, and a recovery in equity market valuations amid positive news about vaccine developments. Government support packages have encouraged continued credit extension to corporates. The rebound in industrial production across commodity exporters has been tepid, with production remaining below pre-pandemic levels.

## INDIAN ECONOMY OVERVIEW

The Indian M&E sector fell by 24% to INR 1.38 trillion (US\$ 18.9 billion), in effect taking revenues back to 2017 levels.

	2019	2020	2021E	2023E	CAGR 2020-23
Television	787	685	760	847	7%
Digital media	221	235	291	425	22%
Print	296	190	237	258	11%
Online gaming	65	76	99	155	27%
Filmed entertainment	191	72	153	244	50%
Animation and VFX	95	53	74	129	35%
Live events	83	27	53	95	52%
Out of Home media	39	16	22	32	27%
Radio	31	14	23	27	24%
Music	15	15	18	23	15%
<b>Total</b>	<b>1,822</b>	<b>1,383</b>	<b>1,729</b>	<b>2,234</b>	<b>17%</b>

All figures are gross of taxes (INR in billion) for calendar years | EY estimates

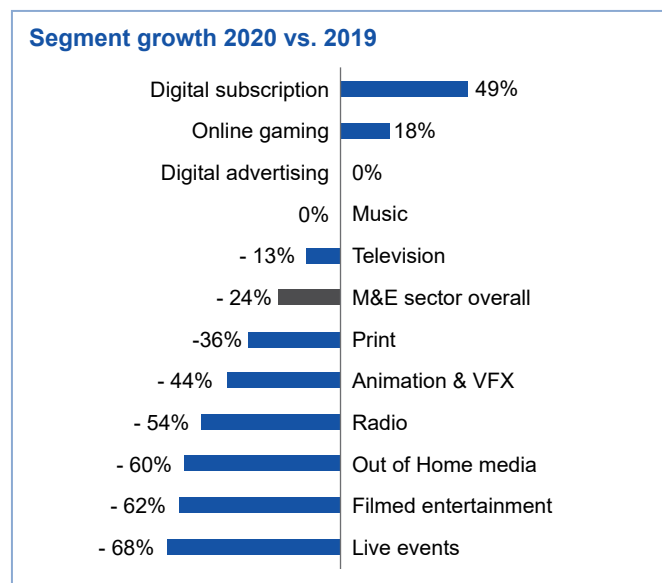
The last quarter of 2020 showed some improvement in revenues for most segments and we expect the M&E sector to recover 25% in 2021 to reach INR 1.73 trillion (US\$ 23.7 billion) and then to grow at a CAGR of 13.7% to reach INR 2.23 trillion (US\$ 30.6 billion) by 2023.

While television remained the largest segment, digital media overtook print, and online gaming overtook a disrupted filmed entertainment segment in 2020.

Digital and online gaming were the only segments which grew in 2020 adding an aggregate of INR 26 billion and consequently, their contribution to the M&E sector increased from 16% in 2019 to 23% in 2020. Other segments fell by an aggregate of INR 465 billion. Largest absolute contributors to the fall were the filmed entertainment segment (INR 119 billion), print (INR 106 billion) and television (INR 102 billion). The share of traditional media (television, print, filmed entertainment, OOH, radio, music) stood at 72% of M&E sector revenues in 2020.

## Key trends in 2020

**Digital and online gaming were the only segments which grew**



**Television** – The largest segment saw a 22% fall in advertising revenues on account of highly discounted ad rates during the lockdown months – though ad volumes reduced only 3%. In addition, it also witnessed a 7% fall in subscription income, led by the continued growth of free television, reverse migration and a reduction in ARPUs.

**Digital subscription** – 28 million Indians (up from 10.5 million in 2019) paid for 53 million OTT subscriptions in 2020 leading to a 49% growth in digital subscription revenues. Growth was led largely by Disney+ Hotstar which put the IPL behind a paywall during the year, increased content investments by Netflix and Amazon Prime Video and launch of several regional language products. In addition, 284 million Indians consumed content which came bundled with their data plans.

## Future outlook

2020 has propelled these changes and promises to propel the Indian creative economy to double in size by 2025 and drive a much larger contribution to India's GDP goals.

This is the time for the sector to forego holding on to old ways of thinking and working, and its sense of complacency about what's possible in the future. The opportunity is discontinuous. The answer to what we can do is nonlinear - we need to disrupt our old business models, our approach, our solutions, our marketing, and our distribution.

While we expect the M&E sector to rebound in 2021 and double to around INR 2.68 trillion by 2025, the recovery of various segments will vary. We expect that different segments will take different periods of time to regain their 2019 (pre-pandemic) revenue numbers. We estimate the following periods for recovery, assuming no further setbacks: One to two years: TV, film, music.

The share of regional content will increase to 60% of television consumption in 2025 from around 55% in 2020 and will increase to around 50% of OTT consumption from 30% in 2019

The need for interactivity and loyalty will multiply and become a way of life for reality and fiction content as television enters an era of connected interactive consumption. Loyalty programs and bundling of linear + digital content / channels will enable higher time spent within a network.

## Television

Television advertising declined by 21.5% in 2020, though ad volumes fell just 3%. Subscription de-growth of 7% was mainly due to reduction in ARPU and a reduction of two million pay TV homes.

	2019	2020	2021E	2023E
Advertising	320	251	304	345
Distribution	468	434	456	502
<b>Total</b>	<b>787</b>	<b>685</b>	<b>760</b>	<b>847</b>

INR billion (gross of taxes) | EY analysis

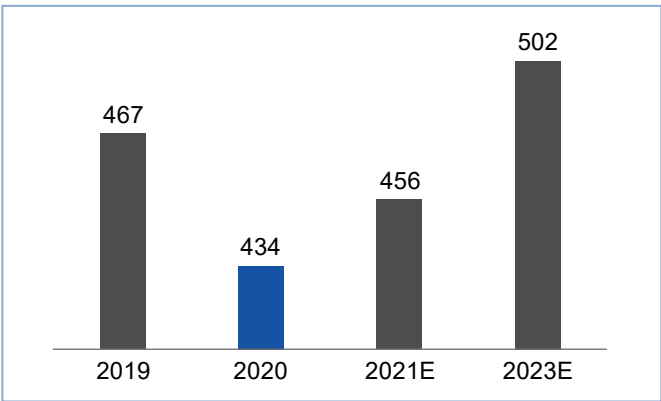
We expect television segment revenues to exceed 2019 levels by 2022. While television households will continue to grow at over 5% till 2025, we expect growth to be driven by connected TVs which could cross 40 million by 2025 and free television which could cross 50 million, thereby making core television a more massified product.

MSO registrations increased only by 4% to 1702 during 2020 as compared to 11% in 2019 and ongoing impact of COVID-19 other service like DTH and HITS are remain at the 5 and 1 Respectively.

The Indian market is serviced by four paid DTH providers and one free DTH provider as of 2020. Operating platforms include VideoconD2H+, TataSky, Airtel, Sun Direct and Free Dish. InCable continues to operate the lone HITS service.

Television subscription revenues in India decreased 7% in 2020, mainly due to a fall in ARPUs and reduction in the paid subscriber base by around two million television homes. While 2020 was impacted by COVID-19, we expect the subscription base for traditional unidirectional television services (cable, DTH, HITS) to keep growing as penetration levels increase over the next few years.

Active paid subscriptions reduced by 2 million in 2020 COVID-19 led to a decline in the pay TV Universe



While DTH and HITS were relatively stable in 2020, cable saw a decline of 3% compared to 2019 numbers. The fall in paid subscriptions is attributed to metro subscribers who went back to their hometowns and subscribers who did not renew their subscriptions specifically due to lack of fresh content on major GECs and live sports. We observed 131 million paid subscriptions for which broadcasters earned revenues in 2020, as compared to 133 million we had reported in 2019.

### End-customer prices (ARPU) decreased

End-customer prices declined 5% on average to reach INR 226 net of taxes as compared to INR 239 in 2019. Industry discussions indicate that over 70% subscribers had opted for DPO designed packages in the beginning of 2020 before the lockdown, but that number reduced as subscribers started to let go of channels they did not wish to watch which caused a fall in ARPU.

DPOs implemented different strategies for customer retention – including suggesting lower cost DPO packages cheaper than the ones originally subscribed to by users.

However, Overall time spent on TV increased 7% over 2019. Overall impressions increased significantly over 2019 levels with people spending more time Indoors. While HSM saw impressions grow by 80 billion, south markets grew 35 billion. But increase in viewership did not translate into additional ad volumes.

Television viewership increased during lockdown and was at an all-time high during March 2020 on account of the lockdown, but stabilized by December 2020 to normal levels.

### COVID-19 led to a decline in the pay TV universe

	2019	2020
Cable	75	73
DTH*	56	56
HITS	2	2
Free TV	38	40
<b>Total</b>	<b>171</b>	<b>171</b>

Television subscriptions (in million) | Industry discussions, billing reports, TRAI data, EY analysis.

\*Net of temporarily suspended subscribers

### Majority of regional languages saw a rise in minutes of viewing (Language growth)

TV Viewership increase 10% across all age group

Hindi and Tamil, the two largest languages by viewership, saw a rise in their total minutes of viewing by over 10%. Gujarati, Punjabi and Bangla were the top gainers in viewership share during 2020. English was the most impacted with a fall of 28% followed by Assamese and Bhojpuri.

In the sports genre, an absence of live sports for over three months and deferment of the IPL resulted in a drop of 67% viewership during the first half of 2020 with the decline continuing on account of cancellation/postponement of live sports events in prime-time alone, the drop for the sports genre was much higher at 79%. However, IPL Season 13 provided a much-needed revival push. IPL Season 13 in 2020 surpassed the viewership of IPL Season 12 by 23% with a total of 400 billion viewing minutes as compared to 326 billion viewing minutes for the 2019 edition.

### Future outlook

We expect television to grow to INR 847 billion by 2023. We expect television advertising in 2021 to be close to 2019 levels, growing over 20% to reach INR 304 billion on the back of a line up of fresh sports content, regional channel rate increases and continued growth of free television. Subscription income would grow 5% to reach INR 456 billion on the back of fresh content, several marquee sports events and pending movie releases, though ARPUs may face regulatory hurdles.

Television segment revenues are expected to grow at a CAGR of 7% to reach INR 847 billion by 2023 driven by increased base of subscribers as households continue to get televised and TV's price competitiveness as against [OTT + data] alternatives.

## Television will go mass

	2020	2025
Pay TV (cable + DTH + HITS)	131	141-145
Free TV	40	50+
Unidirectional TV	171	191+
Connected TV (bi-directional)	5+	40+
<b>Total TV subscriptions</b>	<b>176</b>	<b>231+</b>

EY Estimates | Millions of Subscriptions

Pay TV will continue to grow marginally as states like UP, Bihar, Rajasthan and West Bengal get Electrified. However, more new users will enter the Free TV market as Free Dish channel count increases to around 200 by 2022 (from 120 in 2019), providing a low-cost advertising opportunity to Marketers.

Growth of unidirectional TV will be far outstripped by the growth of connected TVs, which could reach 40 to 50 million connected sets by 2025, on the back of 46 Indian cities which have a population of over a million each and a total population of 122 million which can be wired-up more easily for broadband as well as telcos partnering with LCOs to drive broadband services. This means that overall TV connections will keep

growing at a healthy pace of over 5% per year to cross 71% of Indian households by 2025.

## Regional television will drive ad rate growth

Companies like Zee have already started to segment the HSM market with defined offerings for Punjabi audiences. Regional ad rates have been rising over the last two years faster than HSM and we expect the same to continue. This will be driven by increase in regional content consumption on TV to 60% of total TV consumption, improved quality and higher quantity of content on regional channels.

## End-consumer pricing will be benchmarked to OTT

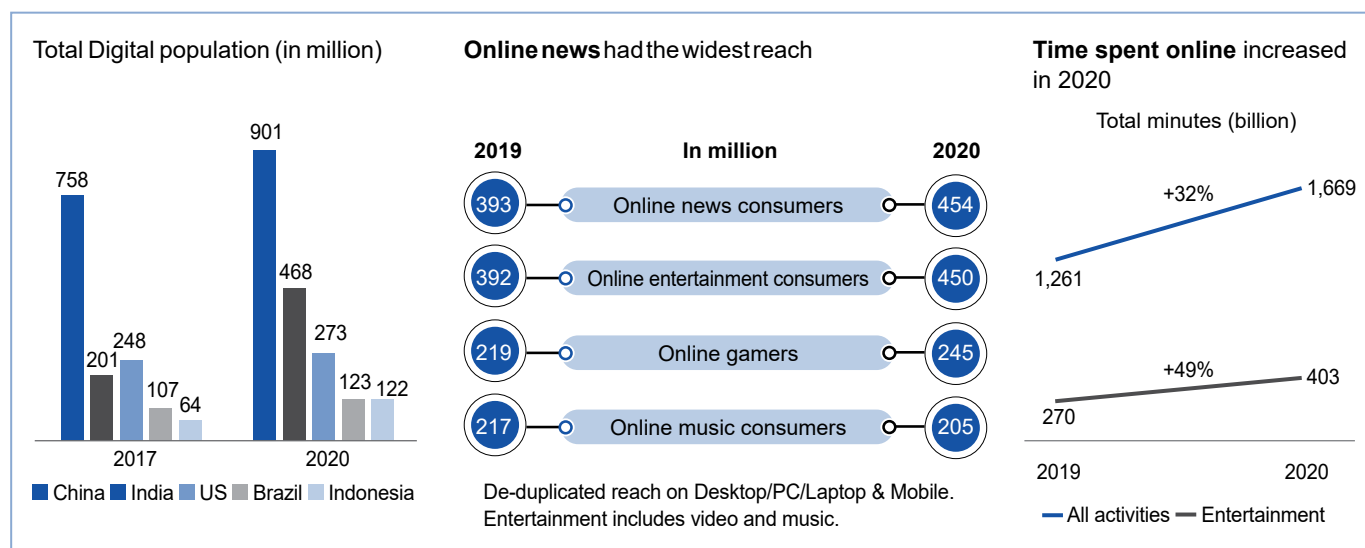
For television subscription to grow, it would need to remain cost efficient as compared to the price of [OTT + data] packages. Consequently, the impact of data prices and bundling of popular OTT packages will be the benchmark against which television subscription will need to be maintained.

## Sports will become table stakes for broadcasters

The move of sports programming to prime-time (through day-night matches, evening scheduling, etc.) can have an impact on GEC viewership. Having a sports product in the bouquet will become increasingly important for broadcasters.

## Indian Broadband Industry

Internet penetration increased 11% to reach 795 million, of which 747 million had broadband access. This led to second in terms of number of telecommunication subscriptions. Also, India is one of the biggest consumer of data world wide. As per TRAI, average wireless data usage per wireless data subscriber was 11GB per month in FY20. 45% of India's population over 15 years of age had access to a smartphone by December 2020.



Indians spent 4.6 hours a day on their phones, increased data consumption by 15% over 2019 and aggregated 450 million online entertainment consumers in 2020.

Subscriptions Revenue were 1,174 million in December 2020 as compared to 1,172 million in December 2019. Urban subscriptions dipped marginally while rural subscriptions grew to 45% of total subscriptions in 2020. The tele-density number in India is now 86%, but is heavily skewed to 138% in urban areas and just 59% in rural areas of India. However, Internet subscriptions grew 11% between December 2019 and December 2020. Yet, just 68% of telecom subscriptions accessed the internet. 94% of those accessing the internet used broadband.

	Dec 2019	Dec 2020
Total internet subscribers (a = b + c)	719	795
Narrow band subscribers (b)	57	48
Broadband subscribers (c)	662	747
Urban internet subscribers (b)	450	482
Rural internet subscribers (c)	269	313

### Number of internet subscribers increasing at a fast pace in

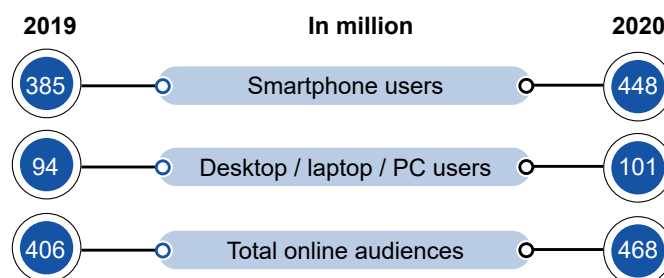
Broadband subscribers grew ~13% during 2020, Wired broadband stand at is 22 Mn (3%) of total base, However rapid an increase of 16% compare to Dec 2019 (19 Mn), Subsequently decline in narrow band subscriptions fell 16%. Urban internet subscriptions grew 7% while rural internet subscriptions grew significantly faster at 17%.

**Smart device growth continued unabated:-** Industry estimates indicate that there were over 20 million smart TVs in use in 2020, and this is expected to increase to over 25 million TVs by 2021. However, they also indicate that just 5 to 7 million

### Broadband subscribers reached 747 million

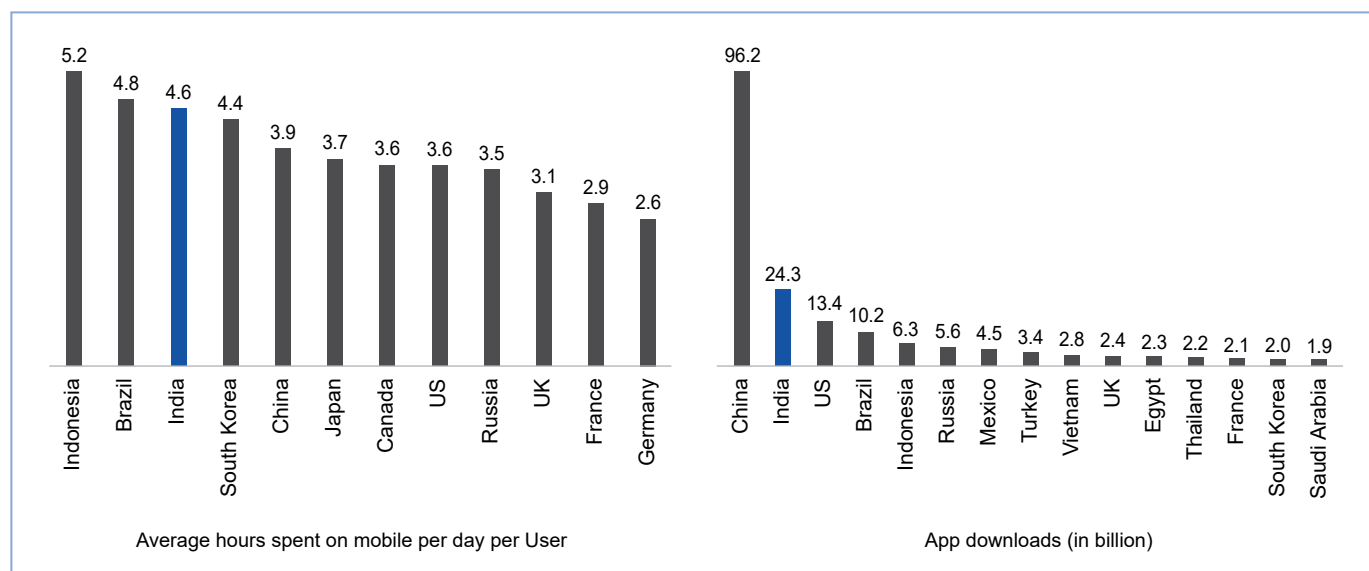
Subscribers	Dec 2018 <sup>5</sup>	Dec 2019 <sup>6</sup>	Dec 2020 <sup>7</sup>
Wired broadband	18	19	22
Wireless broadband	507	643	725
<b>Total broadband</b>	<b>525</b>	<b>662</b>	<b>747</b>

of these were connected to the internet. Desktop, laptop and PC users increased from 94 million in 2019 to 101 million in 2020 as laptop and PC shipments to India fell barely by 1% in 2020 to approximately 18 million units.



### Content consumption

Overall consumption trends Indians spent 4.6 hours a day on their phones. At 4.6 hours per day, Indians came third in the world, for the most amount of time spent on phones in 2020. Indians downloaded 24 billion apps in 2020. India remained the second largest market by app downloads in 2020, Indians downloaded almost 24.3 billion apps in 2020, a growth of over 20% over 2019. In terms of revenue, India lagged many smaller markets.



The Indian audience grew 15% in 2020 to reach 450 million & watch the most online video each week at an average of 10 hours 54 minutes, an increase of 30% from 2019. Indians spent more than 25 hours on average per month on YouTube and Around 448 million Indians were active on social media in 2020, a growth of 21% over 2019. Social media is now used by 32% of Indians aged 16 years and above, up from 29% in 2019. Most social media users subscribed to multiple platforms but did not use each platform daily.

### Satellite-based Narrowband-IoT Network

In December 2020, BSNL, in partnership with Skylotech India, announced a breakthrough in satellite-based NB-IoT (Narrowband-Internet of Things) for fishermen, farmers, construction, mining and logistics enterprises.

### Investment in National Infrastructure Pipeline (NIP)

The government has targeted an investment of close to INR 3.2 trillion in digital infrastructure over the next six years from FY20 to FY25 as part of the recently proposed NIP, of which the private sector is expected to contribute 71%. The NIP has set a goal of digital services access for all along with a two-fold strategy to achieve this goal, namely: a) 100% population coverage for telecom and high-quality broadband services for socio-economic empowerment of every citizen; b) digital payments and e-governance infrastructure for delivery of banking and public services.

On September 21, 2020, Prime Minister, launched a project to connect all 45,945 villages in Bihar with optical fibre internet service. This project will be completed by March 31, 2021 at a cost of ₹ ~ 1,000 crore (US\$ 135.97 million); ₹ 640 crore (US\$87.01 million) of capital expenditure will be funded by the Department of Telecommunications. In December 2020, the Union Cabinet, chaired by the Prime Minister, approved the provision of submarine optical fibre cable connectivity between Mainland (Kochi) and Lakshadweep Islands (KLI Project).

### Relaxed FDI norms

The government has focused on liberalizing the FDI regime for both telecom and media and entertainment sectors, to attract investment for adequate infrastructure development. FDI limits for the telecom sector were eased in 2013 while those for the media and entertainment sector were eased in 2015 and 2016. In June 2016, FDI limits in teleports, DTH, cable networks, mobile TV, Head End in the Sky broadcasting service dark fibre, electronic mail and voice mail and cable networks were completely lifted, allowing 100% FDI through the automatic route. Further, there were no express provisions in relation to digital media in the FDI policy until 2019. However, in December 2019, FDI up to 26% has been permitted under the government approval route for uploading/streaming of news and current affairs, through digital media.

### Opportunities across segments in the industry

1. **Untapped rural markets:-** By October 2020, rural tele density reached 58.94%, up from 43.05%, in March 2016.

2. **Rising internet penetration:-** Internet penetration is expected to grow steadily and is likely to be bolstered by Government policy. Number of broad band subscribers reached 687.44 million in FY20. To encourage cash economy, Indian Government announced to provide free Wi-Fi to more than 1,000 gram panchayats.

3. **Growing Cashless Transactions:-** In order to overcome the cash related problems being faced by people, due to demonetisation, Paytm launched a service through which consumers and merchants can pay and receive money instantly, without an internet connection. Payments on unified payments interface (UPI) hit an all-time high of 2.23 billion (by volume), with transactions worth ~₹ 4.16 lakh crore (US\$ 56.95 billion) in December 2020.

### Company Overview

Hathway Cable and Datacom Limited (HCDL), is one of India's leading Broadband players having 5.8 million Home passes and 1.07 million subscribers base. It is India's first MSO to launch GPON FTTH service in India.

Hathway Digital Private limited, a wholly owned subsidiary of HCDL, is an MSO, with 8+ main head ends and a network of approximately 43,000 Kms of optical fibre and coaxial cable, providing cable services to 5.7 million viewers (including through its fellow subsidiaries & JV's) pan India and reach to 109+ cities and adjoining areas.

### Broadband Business:

India has around 22.29 Mn wireline broadband subscribers as of 31<sup>st</sup> December, 2020. Customers increasingly prefer wireline broadband as it allows online media consumption and seamless accessibility of data to multiple devices while at home. Due to the increasing trend of COVID-led work from home "WFH", the broadband industry saw a huge increase in demand in many tier 2 and 3 towns as many professionals shifted base to their home towns. Online education also became a key growth driver for broadband in smaller cities.

The Company's focus on increasing FTTH-led technology edge and improving consumer experience through enhanced digitisation and automation helped in increasing the FTTH consumer base by more than 30%.

There was a constant focus on increasing the FTTH network as well as increasing the capacity of the existing FTTH network. In high potential metros like Bangalore and Chennai, network capacity was increased from existing 25% to 40% in selected heavy demand areas. To enable consumers to handle multiple digital engagements from office video calls to online school and OTT consumption needs, all FTTH consumers were given unlimited data resulting in a national average of 200 GB/month/consumer data usage. This shows the level of engagement of consumers with the Company network. With high-speed unlimited plans, Company also started giving consumers double band routers which allows them to get consistent speed on multiple devices.

To make sure 100% business continuity in many COVID-led lockdowns and other such constraints, Company focussed on re-engineering its customer front-ending processes to make them technology-enabled, so as to drive operational efficiencies and enhanced consumer experience and ensure uninterrupted service to all broadband customers.

Implementation of ChatBOT for queries through Company's App and Company's WhatsApp business account and VoiceBOT for calls at Company's call centre facilitated increased self-service and auto fixing of issues for broadband customers. It also improved the quality of troubleshooting as BOT can monitor many network parameters in a short time to identify the problem which is difficult for call centre agents to do so in the specified timeframe.

The Company assessed an opportunity to increase adjoining market share by offering upto 300 Mbps speed to its premium consumers, which resulted in increase of minimum data limits across country to 200 GB/consumer/month. Besides during this year, the Company focussed largely to re-engineer its customer front-ending processes to make them technology enabled, introducing smart IVR system, so as to drive operational efficiencies and enhanced consumer experience. To strengthening the network to increase the subscribers capacity and stabilized the seem less connectivity.

The average bandwidth consumption per subscriber is 1.2 Mbps. The average data usage per customer per month has now reached 201 GB in Mar 2021 exit which shows customers preference of watching online media and reflects the binge-watching culture of users.

During the year under review, the Broadband business revenue stood at ₹ 615.6 crores and the subscribers stood at 1.07 Mn (Previous Years' Broadband business revenue stood at ₹ 567.7 crores and subscribers stood at 0.97 Mn).

### Cable Television Business:

Company Provides Cable Television Service through Hathway Digital Limited "Hathway Digital"— its wholly owned subsidiary. The cable TV business strategy for FY21 focussed around taking forward transformation brought by the implementation of the New Tariff Order (NTO) in March 2019. Transparency to end customers and providing them with the freedom to watch television of their choice and enabling LCO partners with the best-in-class technology toolkit to increase their business has been the driving force behind all our industry-first initiatives in FY21.

Apart from further investment in enhancing our systems and technical capabilities to ensure uninterrupted service to esteemed consumers, the following new initiatives were taken this year:

- Automated reminders and additional payment systems through MyJio App and other Wallets

- Customers were provided with a channel selector app from Trai, Hathway Digital being the first few MSOs to do the same
- New digital eCAF process including IVR-based authentication in addition to OTP process

Hathway Digital has successfully increased engagement with cable TV consumers by implementing many new DPO packs for all regions. Packaging is based on extensive consumer research and focussed group interviews with the customers along with input from Local Cable Operators. The percentage of consumers taking DPO packs has increased from 76.6% in March '20 to 83.4% in March '21. Considering the financial impact of the COVID-related situation on many consumers, Hathway Digital also introduced lower ARPU packs focussing on general entertainment channels to support consumers in these challenging times.

Hathway Digital has always taken the lead in bringing path-breaking innovative technological products and offerings to its customers. Living by this philosophy, Hathway Digital has seeded 12.7 lakhs of the new next-generation HD boxes. This new technology has features like time shift which allows forward-rewind on Live TV, consumers can set reminders for their favourite TV shows and can also store up to one TB of content for viewing later on.

These initiatives will help Hathway Digital to increase consumer loyalty and to retain customers for a longer duration as well as get many more new customers.

Hathway Digital has also increased engagement with Local Cable Operators as they are its primary contact point for consumers and partnership with them has been an integral part of Hathway Digital GTM strategy. Specifically, in these challenging times of COVID-19, this engagement was critical as it helped in running the business smoothly despite multiple lockdowns and overall challenging social and economic period.

Below are few initiatives which were undertaken as part of this increased engagement:

- Tie-up with Third-party vendors for offering online payment options for LCO consumers with instant service activation feature
- Sahayataa Yojana for LCOs, under which was launched as an LCO Support Programme in April 2020 where LCOs who were impacted with COVID-19 were provided hospital expenses reimbursed to the extent of ₹ 1 lakh
- Launched Suraksha Yojana for LCOs, accident policy aimed at providing financial cover for injuries (disability and death). In case of accidental death or total disability, LCOs and their key employees would get financial assistance of up to ₹ 5 lakhs under the Insurance scheme

- E-Invoicing system developed to facilitate GST Compliance
- Online dashboards for LCOs on the LCO portal to engage and give them the data which will help them to increase their business and the same also being used by Hathway Digital to reward and recognise best performing LCOs

### Financials Review:

Standalone Revenue was at INR 749.86 crores. The steady growth was driven primarily by subscription, broadband, set off by drop in other Income. Total Comprehensive Income stands at 111.38 crores.

Consolidated Revenue stand at INR 1,874.22 and Total Comprehensive profit stand at 253.87 crores.

INR in Crs	FY 21	FY 20	Growth %
<b>Standalone</b>			
Gross Revenue	749.9	818.0	-8%
EBITDA	334.8	382.0	-12%
<b>EBITDA Margin</b>	<b>45%</b>	<b>47%</b>	
<b>Total Comprehensive Income / (Loss) (After Tax)</b>	<b>111.4</b>	<b>16.7</b>	<b>568%</b>
<b>Consolidated</b>			
Gross Revenue	1,874.2	2,044.1	-8%
EBITDA	617.6	681.1	-9%
<b>EBITDA Margin</b>	<b>33%</b>	<b>33%</b>	
<b>Total Comprehensive Income / (Loss) (After Tax)</b>	<b>253.9</b>	<b>105.5</b>	<b>141%</b>

### Ratio Analysis

Ratio (Consolidated Basis)	Mar-21	Mar-20	%Changes Y21	Remarks FY 21
Debtor Turnover Ratio	313.58	61.31	411%	Shift in O2C cycle post implementation of the new Regulatory Framework for Broadcasting & cable Services sector notified by TRAI
Inventory Turnover	NA	NA	0%	
Interest Coverage Ratio	12.68	1.92	559%	Decrease in Interest cost
Current Ratio	3.13	1.37	127%	Decrease in Borrowing
Debt Equity Ratio	-	0.5	-100%	
Operating Profit Margin	27.4%	24.2%	13%	
Net profit Margin	13%	5%	161%	Increase in Earnings
Return on Net Worth	6%	3%	124%	Increase in Earnings

Company has 343 on roll employees in HCDL and 299 on roll employees in HDL as at March 31, 2021.

### Disclosure of Internal Financial controls:

Hathway's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. Hathway has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. Hathway uses a state-of-the-art enterprise resource planning (ERP) system to record data for accounting and management information purposes and connects to different locations for efficient exchange of information. Entity Level Control framework document has been documented. The documentation of process maps and key controls has been completed during previous financial year for all material operating processes.

It has continued its efforts to align all its processes and controls with global best practices.

The Internal financial Control framework was reviewed and evaluated for its design, adequacy and operating effectiveness of the Internal Financial Controls of the Company. Management testing has been conducted on a sample basis for Revenue, Expenses & payables, Fixed Assets, Inventory, Compliance, Related Party, Borrowings, Consolidation, Contingent Liability, Loans and Advances, Cash management, Current investment, Forex exposure and hedging, Finalisation, Retirement benefits and remedial action has been taken or agreed upon with a finite closure date where control weaknesses were identified.

Based on the above, the Management believes that adequate Internal Financial Controls exist in relation to its Financial Statements.

## SWOT ANALYSIS

Strengths	Challenges
<b>Broadband:</b> <ul style="list-style-type: none"> <li>First MSO to Launch GPON with 300 Mbps speed</li> <li>Highly engaged customer base with Average data consumption 200 GB per subscriber per month</li> <li>Superior Customer Service experience based on tech enabled platform. This has helped in holding on to ARPU while industry ARPU is coming down</li> <li>Strong support from JIO fibre back bone and NOC</li> </ul> <b>Cable:</b> <ul style="list-style-type: none"> <li>5.7 Million digital subscribers base; Offers its cable television services across 109+ cities and towns, operating in pan India regions</li> <li>JIO branded next generation best in industry HD Set top box</li> <li>Implementation of Hathway connect, increase in transparency among the LCOs</li> <li>Customers friendly DPO pack's which allows to meet their daily viewing requirement.</li> <li>Negotiation Power with the Broadcaster</li> <li>Enhanced system and technical capabilities based on JIO fibre backend support to meet customer expectations for best in class TV viewing experience</li> <li>Provision of Mobile Apps and Portals to our customers and LCOs</li> <li>Encouraging LCO's to empower their customers with online renewal facility.</li> </ul>	<b>Broadband:</b> <ul style="list-style-type: none"> <li>To retain Lower GB usage customers as they can manage their usage from mobility at lower price</li> <li>ARPU Growth</li> </ul> <b>Cable:</b> <ul style="list-style-type: none"> <li>Lower paying capacity of consumers and poor infrastructure in Phase 3 and 4 markets</li> <li>Revenue sharing with LCOs making it difficult to compete with DTH</li> </ul>
Opportunities	Threats
<b>Broadband:</b> <ul style="list-style-type: none"> <li>Rapid growth of the top power cities, increasing trend for demand for high speed fixed broadband</li> <li>Government initiatives for Smart City</li> <li>Increase in Media content through OTT platform main driver for online content consumption.</li> <li>COVID lead sampling of online education and other used cases of online working will help in continuous increase in demand for fixed line broadband</li> </ul> <b>Cable:</b> <ul style="list-style-type: none"> <li>Launch of Value Add Services</li> <li>Geographical expansion</li> <li>Increase ARPU through HD packs at right price</li> <li>Increase customer engagement through better regional content</li> </ul>	<b>Broadband:</b> <ul style="list-style-type: none"> <li>Low end users may move to wireless service providers due to competitive pricing and improvement in wireless technology</li> <li>Technology Changes can lead to need for network upgradation resulting in increased capex</li> </ul> <b>Cable:</b> <ul style="list-style-type: none"> <li>Free Dish can offer stiff competition in Phase 3 and 4 Markets</li> <li>High end consumers / Nuclear families / Bachelors can move to TV viewing through OTT apps</li> </ul>

## RISKS AND CONCERNS

Product / Technology Risk	Competition
<p><b>Consequence:</b> The traditional cable customer preferences are very slowly changing and in long term some of them may move towards getting content in a non-linear manner. Inability to meet the customer's demand might lead to loss in business. Also Rapid advancements in technology leading to obsolescence of existing assets.</p> <p><b>Risk Mitigation Strategy:</b> Your company is well placed to serve the arising needs of the customers by offering OTT &amp; broadband services to existing cable customers.</p> <p>The shift to MPEG-4 STBs in cable and provision of providing broadband through DOCSIS 3.1 /GPON network is testament to the fact that we are sensitive to the rapidly changing technology trends.</p>	<p><b>Consequence:</b> Broadband and Cable business verticals where Hathway is present, has low entry barriers and multiple players across geographies.</p> <p><b>Risk Mitigation Strategy:</b> To take early lead over competition, Hathway has offered cutting edge products &amp; solutions at value for money pricing to enhance customers delight. Hathway is well poised to grow in this new segment of the market.</p>
	Awareness Risk
	<p><b>Consequence:</b> LCOs function as primary facilitators of our business expansion. Therefore, delay in updating/on boarding them on latest initiatives undertaken by the company would negate the first mover advantage.</p> <p><b>Risk Mitigation Strategy:</b> Your company has launched Hathway Connect portal for LCOs by imparting real-time training to help them manage their customers. A separate outreach initiative has been undertaken for our broadband services to ensure brand recall and educate the customers about the kind of services being offered.</p>

# Corporate Governance Report

In accordance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereto) (Listing Regulations), hereinafter referred to as SEBI (LODR), the Board of Directors of Hathway Cable and Datacom Limited (HCDL) have pleasure in presenting the Company's report containing the details of governance systems and processes for the Financial Year 2020-21.

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large. Integrity, transparency, accountability and compliance with laws are the basis of good governance and also instrumental in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and Management level.

The Company believes in adopting the 'best practices' in the area of corporate governance. The Company has a strong legacy of fair, transparent and ethical governance practices and in line with the same, has adopted a Code of Conduct for its Senior Management Personnel and Board of Directors.

## APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established various committees to discharge its responsibilities in an effective manner.

The Company has Chairman to guide the functioning of the Board. The Company also has Managing Director (MD), who in consultation with the Chairman and Board of Directors provides overall direction and guidance to the Company. In the operations and functioning of the Company, the MD is assisted by a core group of senior level executives. The MD is responsible for corporate strategy, brand equity, planning, external contacts and all management matters.

The Chairman being member of Nomination and Remuneration Committee, actively works to plan the Board and committees' composition, induction of directors to the Board, plan for directors' succession and provide constructive feedback and advice on performance evaluation to directors.

The Company Secretary assists the Chairman and MD in management of the Board's administrative activities

such as meetings, schedules, agendas, communication and documentation.

## ETHICS/GOVERNANCE POLICIES

At HCDL, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

1. Code of Conduct for Independent Director
2. Code of Conduct for Board Members and Senior Management Personnel
3. Code to regulate, monitor and report trading by directors, promoters, designated persons and specified connected persons of the company and material subsidiaries of the Company
4. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
5. Corporate Social Responsibility Policy
6. Dividend Distribution Policy
7. Succession Plan
8. Archival Policy
9. Nomination and Remuneration Policy
10. Prevention of Sexual Harassment Policy
11. Policy on Preservation & Utilization of stationery
12. Policy on determining material subsidiaries
13. Preservation of Records Policy
14. Policy for determination of Material Events
15. Risk Management Policy
16. Related Party Transactions Policy
17. Vigil Mechanism Policy
18. Director & Designated Partner Nomination Policy
19. Human Rights Policy
20. Employee Welfare Policy
21. Responsible Marketing Policy
22. Environment, Health & Safety Policy
23. Code of Conduct for Business Associates
24. Sustainable Development Policy

## AUDITS AND INTERNAL CHECKS AND BALANCES

M/s. Nayan Parikh & Co, Chartered Accountants, is the Statutory Auditor of the Company. The Statutory Auditor and the Group Internal Audit Function perform independent reviews of the ongoing effectiveness of Company's various components of the systems of internal control and present the same before the Audit Committee on quarterly basis for their review and necessary action.

## RISK MANAGEMENT, INTERNAL CONTROLS AND COMPLIANCE

The Board of Directors of the Company have designed Risk Management Policy and guidelines to avoid events, situations or circumstances which may lead to negative impact on the Company's businesses and had defined a structured approach to manage uncertainty and outcomes. Key business risks and their mitigation are considered as a part of the annual/strategic business plans and is reviewed by the Risk Management Committee.

The Company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies. The Company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. The Company has put in place a defined framework and state-of-the-art enterprise resource planning (ERP) system to record data for accounting and management information purposes and connects to different locations for efficient exchange of information. All Compliance activities are supported by a robust online compliance monitoring system (iRCMS) to ensure ongoing Compliance.

## BEST CORPORATE GOVERNANCE PRACTICES

HCDL strives for highest Corporate Governance standards and practices. It, therefore, endeavours to continuously improve and adopt the best of Corporate Governance codes and practices. Some of the implemented best governance norms and practices include the following:

- All securities related filings with Stock Exchanges are reviewed every quarter by the Stakeholders' Relationship Committee and the Board of Directors.
- The Company has independent Board Committees covering matters related to Risk Management, Stakeholder Relationship, Business Responsibility, Directors Remuneration and the nomination of Board Members.
- The Senior Management Personnel i.e. CXO Level and respective business head of the Company, who review the ongoing effectiveness of operational and financial risk mitigations and governance practices.

- The Company undertakes Annual Secretarial Compliance Certification from an Independent Company Secretary who is in whole-time practice.

## ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company to ensure compliance with applicable statutory requirements, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary interfaces and acts as link between the management and regulatory authorities for governance matters.

## BOARD OF DIRECTORS

### Board Leadership

At HCDL, the Board has strived hard to achieve long term vision of the Company. The Board's actions and decisions are aligned with the Company's best interests. The Board is committed to the goal of sustainably elevating the Company's value and brand creation. The Company has defined guidelines and an established framework for the meetings of the Board and Committee. These guidelines seek to systematise the decision-making process at the meetings of the Board and Committees in an informed and efficient manner.

The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board inter alia includes strategic review from each of the Committees, a detailed analysis and review of annual operating plans, capital allocation and budgets. Additionally, the Board reviews risks and risk mitigation measures, financial reports and business reports from each of the departmental heads. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

### Board Composition and Category of Directors

As per the provisions of Regulation 17 of SEBI (LODR), the Board of Directors of the Company has optimum combination of Executive, Non-Executive and Independent Directors comprising of 1 (One) Executive Director and 8 (Eight) Non-Executive Directors of which 3 (Three) are Independent Directors who are not liable to retire by rotation. The Chairman of the Company is Non-Executive, Independent Director and one third of the total number of directors are Independent Directors. Ms. Ameeta Parpia is the Woman Independent Director.

None of the directors of the Company holds directorship in more than 7 (Seven) Listed entities or act as an Independent Director of more than 7 (Seven) Listed companies. Further, none of the

directors is member of more than 10 (Ten) committees or chairperson of more than 5 (Five) committees across all Public Limited companies in which they hold the office of Directors.

The composition of the Board and other relevant details relating to directors for the financial year ended March 31, 2021 are as under:

Name of Director	Relationship With other Directors	Designation	Category of Directorship	No. of Directorship in listed entities including this listed entity	Names of other listed entities along with category of directorship	No. of memberships in Statutory Committees <sup>1</sup> (As per Regulation 26 of SEBI (LODR)	No. of post of Chairperson of Statutory Committees <sup>1</sup> (As per Regulation 26 of SEBI (LODR)
Mr. Sridhar Gorthi	None	Chairman	Independent Director	2	1. Glenmark Pharmaceuticals Limited- Independent Director	2	1
Mr. Sasha Mirchandani	None	Director	Independent Director	3	1. Zee Entertainment Enterprises Limited- Independent Director 2. Nazara Technologies Limited-Independent Director	1	0
Ms. Ameeta Parpia	None	Director	Independent Director	4	1. Supreme Petrochem Limited- Director 2. Prism Johnson Limited- Director 3. The Supreme Industries Limited-Independent Director	8	4
Mr. Akshay Raheja	Brother of Mr. Viren Raheja	Director	Non-Executive and Non-Independent Director	2	1. EIH Associated Hotels Limited-Non-Executive & Non-Independent Director	1	0
Mr. Viren Raheja	Brother of Mr. Akshay Raheja	Director	Non-Executive and Non-Independent Director	2	1. Sonata Software Limited- Promoter, Non-Executive Director	3	0
Mr. Saurabh Sancheti	None	Director	Non-Executive and Non-Independent Director	2	1. Den Networks Limited- Non-Executive & Non-Independent Director	1	0
Ms. Geeta Fulwadaya	None	Director	Non-Executive and Non-Independent Director	2	1. Den Networks Limited- Non-Executive & Non-Independent Director	0	0
Mr. Anuj Jain	None	Director	Non-Executive and Non-Independent Director	2	1. Den Networks Limited- Non-Executive & Non-Independent Director	0	0
Mr. Rajan Gupta	None	Managing Director	Executive Director	2	1. GTPL Hathway Limited- Chairman (Non-Executive Director)	2	0

<sup>1</sup>It excludes Private Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and for determination of limit of committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee alone shall be considered.

### Shares and Convertible Instruments Held by Non-Executive Directors

There are no convertible instruments issued by the Company. The details of equity shares of the Company held by Directors are given below:

Sr. No.	Name of the Director	Shares Held
1.	Mr. Akshay Raheja Non-Executive Director	121,413,000
2.	Mr. Viren Raheja Non-Executive Director	119,553,000
3.	Ms. Ameeta Parpia Independent Director	27,315
<b>TOTAL</b>		<b>240,993,315</b>

Apart from the details mentioned hereinabove, no other Director hold any shares in the Company.

### Familiarisation Programmes for Board Members

On appointment, the Directors are taken through a formal induction program including the presentation from the Managing Director on the Company's general business profile, industry in which it operates, legal, marketing, finance and other important aspects. The Company Secretary briefs the Directors about their legal and regulatory responsibilities as a Director. The induction for Independent Directors includes interactive sessions with Executive Committee members, Business and Functional Heads.

The Board Members are provided with necessary documents / brochures, reports, programs and internal policies to enable them to familiarize and get acquainted with the Company's business, procedures and practices.

Periodic presentations are made at the Board and Committee Meetings on business and performance updates of the Company, business strategy and risks involved.

Quarterly updates on relevant statutory and regulatory changes encompassing important laws are provided to the Directors.

The details of such familiarization programmes for Independent Directors are put up on the Company's website

### Code of Conduct

The Company has in place a comprehensive Code of Conduct for Board Members, Independent Directors, Senior Management. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code of Conduct has been put up on the Company's website.

The Company has obtained the confirmation of the compliance with the Code from all Board Members and Senior Management Personnel.

### Succession Planning

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Nomination and Remuneration Committee works along with the Human Resource team of the Company for a structured leadership succession plan.

### Core Skills/Expertise/Competencies Available with the Board

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership / Operational experience
- Strategic Planning
- Industry Experience,
- Research & Development and Innovation
- Global Business
- Financial Acumen
- Regulatory / Legal & Risk Management
- Corporate Governance

While all the Board members possess the skills identified, their area of core expertise is given below:

Name of Director	Area of Expertise
Sridhar Gorthi	<ul style="list-style-type: none"><li>• Leadership / Operational experience</li><li>• Strategic Planning</li><li>• Research &amp; Development and Innovation</li><li>• Global Business</li><li>• Financial, Regulatory / Legal &amp; Risk Management</li><li>• Corporate Governance</li></ul>
Sasha Mirchandani	<ul style="list-style-type: none"><li>• Leadership / Operational experience</li><li>• Strategic Planning</li><li>• Research &amp; Development and Innovation</li><li>• Global Business</li><li>• Financial, Regulatory / Legal &amp; Risk Management</li><li>• Corporate Governance</li></ul>
Ameeta Parpia	<ul style="list-style-type: none"><li>• Leadership / Operational experience</li><li>• Financial, Regulatory / Legal &amp; Risk Management</li><li>• Corporate Governance</li></ul>

Name of Director	Area of Expertise
Saurabh Sancheti	<ul style="list-style-type: none"> <li>Leadership / Operational experience</li> <li>Strategic Planning</li> <li>Industry Experience</li> <li>Research &amp; Development and Innovation</li> <li>Global Business</li> <li>Financial, Regulatory / Legal &amp; Risk Management</li> <li>Corporate Governance</li> </ul>
Anuj Jain	<ul style="list-style-type: none"> <li>Leadership / Operational experience</li> <li>Strategic Planning</li> <li>Industry Experience, Research &amp; Development and Innovation</li> <li>Global Business</li> <li>Corporate Governance</li> </ul>
Geeta Fulwadaya	<ul style="list-style-type: none"> <li>Leadership / Operational experience</li> <li>Strategic Planning</li> <li>Financial, Regulatory / Legal &amp; Risk Management</li> <li>Corporate Governance</li> </ul>
Akshay Raheja	<ul style="list-style-type: none"> <li>Leadership / Operational experience</li> <li>Strategic Planning</li> <li>Industry Experience</li> <li>Research &amp; Development and Innovation</li> <li>Global Business</li> <li>Financial, Regulatory / Legal &amp; Risk Management</li> <li>Corporate Governance</li> </ul>
Viren Raheja	<ul style="list-style-type: none"> <li>Leadership / Operational experience</li> <li>Strategic Planning</li> <li>Industry Experience</li> <li>Research &amp; Development and Innovation</li> <li>Global Business</li> <li>Financial, Regulatory / Legal &amp; Risk Management</li> <li>Corporate Governance</li> </ul>
Rajan Gupta	<ul style="list-style-type: none"> <li>Leadership / Operational experience</li> <li>Strategic Planning</li> <li>Industry Experience</li> <li>Research &amp; Development and Innovation</li> <li>Global Business</li> <li>Financial, Regulatory / Legal &amp; Risk Management</li> <li>Corporate Governance</li> </ul>

### Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Director on the Board. The Committee, *inter alia*, considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various Committees of other Companies by such persons

in accordance with its policy for selection of Directors and determining Directors' Independence. The Board considers the Committee's recommendation and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law and that he/she is not aware of any circumstance or situation, which exist or may be reasonably

anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgment and without any external influence.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (LODR) and are Independent of the management.

### Meeting of Independent Directors

The Company's Independent Directors met once during the financial year 2020-21. Such meeting was conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views.

## BOARD MEETINGS, COMMITTEE MEETINGS AND PROCEDURES

### Board Decision-Making Process

The Board of Directors is the apex body constituted by Shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that shareholders' long-term interests are being served.

The Board has constituted 9 (Nine) main Committees, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, Administrative-Cum-Regulatory Committee, Investment & Loan

Committee, Business Responsibility Committee and Finance Committee. The Board is authorized to constitute other functional Committees, from time to time, depending on business needs.

The Company's internal guidelines for Board / Committee meetings facilitate decision-making process at its meetings in an informed and efficient manner.

Due to COVID-19 Pandemic during the year 2020-21, all Board and Committee Meetings were convened through electronic mode. The directors attended the Board and Committee Meetings through video conferencing.

### Number of Board Meetings

During the financial year 2020-21, 7 (Seven) Board Meetings were held and the gap between two Board Meetings was not more than 120 days. The details of Board Meetings held during the year are given below:

Sr. No.	Date of Meeting	Total Strength	No. of Directors Present
1.	April 23, 2020		9
2.	June 12, 2020		7
3.	July 17, 2020		9
4.	October 15, 2020	9	6
5.	November 11, 2020		5
6.	January 15, 2021		9
7.	March 09, 2021		7

The details of attendance of Directors in Board Meetings and the last Annual General Meeting are as follows:

Name of the Director(s)	No. of Board Meetings Attended	Attendance at Annual General Meeting dated September 25, 2020
No. of Board Meetings held during the year	7	
Mr. Sridhar Gorthi	6	Yes
Mr. Akshay Raheja	4	Yes
Mr. Viren Raheja	6	Yes
Mr. Sasha Mirchandani	7	Yes
Ms. Ameeta Parpia	7	Yes
Mr. Rajan Gupta	5	Yes
Ms. Geeta Fulwadaya	7	Yes
Mr. Saurabh Sancheti	7	Yes
Mr. Anuj Jain	3	Yes

### Procedure at Committee Meetings

The Company's guidelines relating to Board meetings are applicable to Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functioning. Minutes of proceedings of Committee meetings are circulated to the respective committee members and placed before Board meetings for noting. The composition and terms of reference of all the committees are in compliance with the Companies Act, 2013 and SEBI (LODR) as applicable.

## COMMITTEES

### Audit Committee

#### Constitution

The Committee comprises of 4 (Four) Non-Executive Directors out of which 3 (Three) are Independent Directors. All the members of the Committee are financially literate and Mr. Sasha Mirchandani, who has done his Business Administration from Strayer University, USA and MMDP program at IIM, Ahmedabad, has financial management expertise. The Chairman of the Audit Committee is an Independent Director.

## Composition and Number of Meetings held and Attended by Members during the financial year 2020-21

The composition of the Audit Committee and the number of meetings held and attended by each member is given as under:

Committee Members	Category	Designation	Directors Attended
Number of Committee Meeting Held during the year			5
Mr. Sridhar Gorthi	Independent	Chairman	5
Mr. Viren Raheja	Non - Executive & Non-Independent	Member	5
Mr. Sasha Mirchandani	Independent	Member	5
Ms. Ameeta Parpia	Independent	Member	5

During the financial year 2020-21, the Audit Committee have met 5 (five) times and the gap between two meetings was not more than 120 days. The dates of meetings held during the financial year 2020-21 are as below:

Sr. No.	Date of Meeting
1.	April 23, 2020
2.	July 17, 2020
3.	October 15, 2020
4.	January 15, 2021
5.	March 09, 2021

The Internal Auditors report to the Audit Committee.

The Chairman of the Audit Committee attended the last AGM held on September 25, 2020.

### Attendees

The Audit Committee invites the Managing Director, Board Members and Senior Management Personnel, as it considers appropriate to be present at its meetings. The Statutory Auditors and the Internal Auditors are also invited to these meetings.

### Terms of Reference

Terms of Reference of the Committee *inter alia* include the following:

- Hold discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems;
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, remuneration and terms of appointment, re-appointment and if required, the replacement or removal of the statutory auditors;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence, performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;

- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - Discussion with internal auditors on any significant findings and follow up there on;
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - To review the functioning of the Whistle Blower mechanism;
  - Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
  - Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
  - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Apart from the powers stated in the foregoing paragraph, the Committee further reviews the matters related to:
- management discussion and analysis of financial condition and results of operations;
  - statement of significant related party transactions (as defined by the audit committee), submitted by Management;
  - management letters / letters of internal control weaknesses issued by the statutory auditors;
  - internal audit reports relating to internal control weaknesses; and
  - the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
  - statement of deviations;
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulation, 2015.
  - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI (LODR) Regulation, 2015.
  - The financial statements, in particular, the investments made by the unlisted subsidiary company.
  - The details of RPTs entered into by the company pursuant to each of the omnibus approval granted, if any on a quarterly basis.

## Nomination and Remuneration Committee (“NRC”)

### Constitution

The NRC comprises of 4 (Four) members. All the members of the Committee are Non-Executive Directors out of which 2 (Two) members are Independent Directors. The Chairman of the Committee is an Independent Director.

### Composition and Number of Meetings held and attended by members during financial year 2020-21

The composition of the NRC and the number of meetings attended by each member is given as under:

Committee Members	Category	Designation	Directors Attended
No. of Committee Meetings held during the year			2
Mr. Sasha Mirchandani	Independent	Chairman	2
Mr. Viren Raheja	Non - Executive & Non-Independent	Member	2
Mr. Akshay Raheja	Non - Executive & Non-Independent	Member	2
Mr. Sridhar Gorthi	Independent	Member	2

During the Financial year 2020-21, the Nomination and Remuneration Committee have met 2 (Two) times and the dates are given below:

Sr. No.	Date of Meeting
1.	April 23, 2020
2.	January 15, 2021

The Chairman of the Nomination and Remuneration Committee attended the last AGM held on September 25, 2020.

#### Terms of Reference

Terms of Reference of the Committee *inter alia* include the following:

- Formulate criteria for determining qualifications, positive attributes and independence of director and recommendation to Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

- Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors/Independent Directors on the Board and as Key Managerial Personnel;
- Support Board in performance evaluation of all the directors and annual self-assessment of the Board's overall performance;
- Conduct annual performance review of Managing Director and Senior Management Personnel;
- Administration of Employee Stock Option Scheme (ESOS);
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management Personnel.

### Stakeholders' Relationship Committee ("SRC")

#### Constitution

The SRC has been constituted to look into investor's complaints like transfer of shares, Investor Complaints etc. and take necessary steps for redressal thereof. The Company has taken necessary steps to adequately comply with Regulation 20 of SEBI (LODR).

The SRC comprises of 3 (Three) members out of which 2 (Two) are Non-Executive Directors. The Chairperson of the Committee is an Independent Director.

#### Composition and Number of Meetings held and attended by members during financial year 2020-21

The composition of the SRC and details of attendance of meetings by members is as under:

Sr. No.	Committee Members	Category	Designation	Directors Attended
No. of Committee meeting held during the year				4
1	Ms. Ameeta Parpia	Independent Director	Chairperson	4
2	Mr. Viren Raheja	Non-Executive Director	Member	4
3	Mr. Rajan Gupta	Managing Director	Member	3

During the financial year 2020-21, the Stakeholders Relationship Committee have met 4 (Four) times and the details are given below:

Sr. No.	Date of Meeting
1.	April 23, 2020
2.	July 17, 2020
3.	October 15, 2020
4.	January 15, 2021

The Chairman of the SRC attended the last AGM held on September 25, 2020.

#### Terms of Reference

Terms of Reference of the Committee *inter alia* include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/

transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;

- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

#### Name and designation of the Compliance Officer

Mr. Ajay Singh, Head Corporate Legal, Company Secretary and Chief Compliance Officer of the Company is the Compliance Officer for complying with the requirements of Securities Laws.

### Prevention of Insider Trading Code

During the financial year 2020-21, the Company has adopted the revised Code to regulate, monitor and report trading by directors, promoters, designated persons and specified connected persons of the Company and material subsidiaries of the Company ("Hathway Code"). Mr. Ajay Singh, Head Corporate Legal, Company Secretary and Chief Compliance Officer is responsible for setting forth procedures and implementation of Hathway Code and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

### Investor Grievance Redressal

At the end of the Financial year 2020-21, there were no complaints pending

Received from	Received During 2020-21	Redressed during 2020-21	Pending as on March 31, 2021
SEBI	0	0	0
NSE	0	0	0
BSE	0	0	0
NSDL/CDSL	0	0	0
Direct from Investors	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Risk Management Committee

#### Constitution

The Risk Management Committee comprises of 3 members, majority members consist of Board of Directors. The Chairperson is an Independent Director.

#### Composition and Number of Meetings held and attended by members during financial year 2020-21

The composition of the Risk Management Committee and details of attendance of meetings by members is as under:

Sr. No.	Committee Members	Category	Designation	Directors Attended
No. of Committee meeting held during the year				1
1	Ms. Ameeta Parpia	Independent Director	Chairperson	1
2	Mr. Rajan Gupta	Managing Director	Member	1
3	Mr. Ajay Singh	Company Secretary	Member	1

During the financial year 2020-21, the Risk Management Committee has met once on January 15, 2021.

#### Terms of Reference

Terms of Reference of the Committee inter alia include the following:

- Review of strategic risks arising out of adverse business decisions and lack of responsiveness to changes;
- Review of operational risks;
- Review of financial and reporting risks;
- Review of compliance risks;
- Review or discuss the Company's risk philosophy and the quantum of risk, on a broad level that the Company, as an organization, is willing to accept in pursuit of stakeholder value;
- Review the extent to which management has established effective enterprise risk management at the Company;
- Inquiring about existing risk management processes and review the effectiveness of those processes in identifying, assessing and managing the Company's most significant enterprise-wide risk exposures;
- Review the Company's portfolio of risk and consider it against its risk appetite by reviewing integration of strategy and operational initiatives with enterprise-wide risk exposures to ensure risk exposures are consistent with overall appetite for risk; and
- Review periodically key risk indicators and management response thereto.

## Corporate Social Responsibility Committee ("CSR")

### Constitution

Pursuant to Section 135 of the Companies Act, 2013, the CSR Committee comprises of three Directors, out of which one is Independent Director.

### Composition and Number of Meetings held and attended by members during financial year 2020-21

The composition of the CSR Committee and details of attendance of meetings by members is as under:

Sr. No.	Committee Members	Category	Designation	Directors Attended
No. of Committee meeting held during the year				2
1	Mr. Viren Raheja	Non-Executive Director	Chairman	2
2	Mr. Rajan Gupta	Managing Director	Member	2
3	Mr. Sridhar Gorthi	Independent Director	Member	2

During the financial year 2020-21, the CSR Committee have met 2 (Two) times and the details are given below:

Sr. No.	Date of Meeting
1.	April 23, 2020
2.	July 17, 2020

### Terms of reference

Terms of Reference of the Committee inter alia include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred to in the CSR policy of the Company; and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

### Recommendation by any Committee of the Board of Directors of the Company

During financial year 2020-21, the Board of Directors of the Company has accepted all recommendations, received from its Committees.

### Performance Evaluation Criteria for Directors

The NRC has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision, strategy etc., which is in compliance with applicable laws, regulations and guidelines.

## DIRECTORS' REMUNERATION

### REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company can be accessed on its website [www.hathway.com](http://www.hathway.com).

The salient features of the said Policy are as under:

- Policy for appointment and removal of Director, Key Managerial Personnel and Senior Management;
- Policy for remuneration of Director, Key Managerial Personnel and Senior Management;
- Policy for performance evaluation of Board of Directors of the Company;
- Policy on Diversity of Board of Directors of the Company.

The Remuneration Policy is in consonance with industry practice.

### I. Remuneration of Management Staff

Remuneration of Employees largely consists of basic remuneration and perquisites. The components of the total remuneration vary based on the grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by the employee, individual performance, etc.

### II. Remuneration of Directors

#### Independent and Non-Executive Directors

Independent and Non-Executive Directors of the Company receive sitting fees for attending Board Meetings while no sitting fee is paid for attending Committee Meeting except Audit Committee. The sitting fees paid to Independent and Non-Executive Directors is within the limits prescribed under the Companies Act, 2013.

Details of the sitting fees paid during the financial year 2020-21 are as under:

Sl. No.	Name of Director	Sitting Fees (in ₹)
1	Mr. Akshay Raheja	250,000
2	Ms. Ameeta Parpia	500,000
3	Mr. Sasha Mirchandani	500,000
4	Mr. Sridhar Gorthi <sup>2</sup>	450,000
5	Mr. Viren Raheja	500,000
6	Ms. Geeta Fulwadaya	300,000
7	Mr. Saurabh Sancheti	300,000
8	Mr. Anuj Jain	150,000
<b>Grand Total</b>		<b>2,950,000</b>

<sup>2</sup>Payment made to Sunshine Foundation

During the year, there were no other pecuniary relationships or transactions of Non Executive Directors with the Company. The Company has not granted any stock options to Non Executive Directors.

#### Executive Director

As of March 31, 2021, Mr. Rajan Gupta, Managing Director was the only Executive Director of the Company.

Details of remuneration paid to Mr. Rajan Gupta during the financial year ended March 31, 2021 is given below:

Particulars	Rajan Gupta
All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the Directors (Applicable only in case of Managing Director)	₹ 48,947,658*
Details of fixed component and performance linked incentives along with the performance criteria	Fixed: ₹ 39,947,658* Variable: ₹ 9,000,000
Service Contracts	Yes
Severance Fee	Nil
Notice Period	6 months
Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Nil

\*Includes provident fund of ₹ 1,296,000/-

## FRAMEWORK FOR MONITORING SUBSIDIARY COMPANIES

During the year under review, Hathway Digital Limited (HDL) (formerly known as Hathway Digital Private Limited) is a material subsidiary of the Company as per SEBI (LODR).

In terms of the provisions of Regulation 24(1) of SEBI (LODR), Ms. Ameeta Parpia is the Independent Director of the Company on the Board of HDL. The Company is in compliance with Regulation 24A of SEBI (LODR). The Company's unlisted material subsidiary has undergone Secretarial Audit. Copy of Secretarial Audit Report of HDL is available on the website of the Company. The Secretarial Audit Report of HDL does not contain any qualification, reservation or adverse remark or disclaimer.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by Subsidiary Companies, are reviewed quarterly by the Company's Audit Committee.
- Minutes of Board meetings of Subsidiary Companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by Subsidiary Companies is placed before the Company's Board.
- Presentations are made to the Company's Board on business performance by the senior management on major Subsidiaries of the Company.

The Company's Policy for determining Material Subsidiaries is put up on the Company's website.

## GENERAL BODY MEETINGS

### Annual General Meeting

#### Location, time and date of holding of the last 3 (three) Annual General Meetings

Financial Year	Date of AGM	Venue	Time
2017-18	September 11, 2018	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3:00 pm
2018-19	July 31, 2019	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3:00 pm
2019-20	September 25, 2020	Through video conferencing ("VC/ The deemed venue was the Registered Office of the Company).	12:00 noon

#### Special Resolutions passed during previous 3 (three) Annual General Meetings

Date of AGM	Particulars of Special Resolutions Passed
September 11, 2018	Nil
July 31, 2019	Alteration of the Articles of Association of the Company
September 25, 2020	Re-appointment of Ms. Ameeta Parpia as an Independent Director

### Postal Ballot

No postal ballot was conducted during the financial year 2020-21. There is no immediate proposal for passing any resolution through postal ballot.

## DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS THAT MAY HAVE POTENTIAL CONFLICT WITH THE COMPANY'S INTERESTS AT LARGE

The Company's major related party transactions are generally with its subsidiaries and fellow subsidiaries. The related party transactions are entered into based on considerations of various business exigencies, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries.

All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on Materiality of Related Party Transactions. The Company has made full disclosure of transactions with the related parties as set out in Note 4.13 of Standalone Financial Statements, which forms part of the Annual Report.

There were no transactions of material nature with Directors/ Promoters or any related entity, which will have any potential conflict with the interests of the Company at large.

The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is put up on the Company's website.

## DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGE OR SEBI, OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS

### FY 2020-21

Sr. No.	Action taken by	Details of Violation	Details of action taken	Observations/ Remarks
1.	BSE Limited and The National Stock Exchange of India Limited	Maintenance of minimum public shareholding of at least 25%, pursuant to Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957.	Penalty of ₹ 5,000 per day for the period from February 28, 2020 to December 2020 levied by BSE Limited and The National Stock Exchange of India Limited	<p>During financial year 2018-19, Jio Content Distribution Holdings Private Limited (JCDHPL), Jio Internet Distribution Holdings Private Limited (JIDHPL) and Jio Cable and Broadband Holdings Private Limited (JCBHPL) ("Promoters") acquired sole control of the Company through a preferential offer followed by an open offer. Consequently, the public shareholding fell below the minimum public shareholding ("MPS") prescribed under the Securities Contracts (Regulation) Rules, 1957</p> <p>To achieve compliance of 25% MPS (against 5.91% public shareholding), the Promoters had made an offer for sale of 337,983,855 equity shares representing 19.09% of the total issued and paid-up equity share capital of the Company, in accordance with the provisions of the applicable SEBI Circulars. Pursuant to the said offer for sale, effective March 30, 2021, the public shareholding of the Company increased from 5.91% to 13.39%.</p> <p>Thereafter, the Promoters made another offer for sale of 205,443,340 equity shares representing 11.61% of the total issued and paid-up equity share capital of the Company, in accordance with the provisions of the applicable SEBI Circulars. Pursuant to the said offer for sale, effective April 27, 2021, the public shareholding of the Company has increased from 13.39 % to 25%.</p> <p>Accordingly, the Company has achieved compliance with the MPS requirement</p> <p>Also the Company has suo moto paid the penalty for the period upto March 31, 2021.</p>

### FY 2019-20

Nil

### FY 2018-19

Nil

## WHISTLE BLOWER POLICY

The Company promotes safe, ethical and compliant conduct of all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and framed a Whistle Blower Policy under which the employees are encouraged to report violations of applicable laws and regulations and the Code of Conduct without fear of any retaliation. The Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee. The Vigil Mechanism and Whistle blower Policy is available on the website of the Company.

## PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. The Company has complied with the provision relating to the constitution of Internal Complaints Committee and during the year under review, as per the table given below, the Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of Complaints filed during FY 2020-21	Number of Complaints disposed off during FY 2020-21	Number of Complaints pending for FY 2020-21
0	0	0

## ADOPTION OF MANDATORY REQUIREMENTS

The Company has complied with all mandatory requirements of Regulation 34 of SEBI (LODR).

The Company has adopted the following discretionary requirements of the SEBI (LODR) :

### Audit Qualification

The Company is in the regime of unmodified opinions on financial statements.

### Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

## MEANS OF COMMUNICATION

- All the vital information relating to the Company like quarterly results, annual results, official press releases, presentations, if any, made to Institutional Investors or Analysts are posted on the website of the Company [www.hathway.com](http://www.hathway.com) on timely basis.
- The quarterly and annual financial results of the Company is published in Mumbai Lakshadeep (Marathi Newspaper)

and Financial Express (English Newspaper). The said financial results are further submitted to the National Stock Exchange of India Limited and BSE Limited.

- The Annual Report containing, inter alia, Audited Financial Statement, Audited Consolidated Financial Statement, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available in downloadable form on the website of the Company

## GENERAL SHAREHOLDER INFORMATION

### Date, Time and Venue of Annual General Meeting of Shareholders

The Annual General Meeting of the Company would be held on Tuesday, August 24, 2021 at 2 P.M. (I.S.T) through Video Conferencing /other Audio Visual means as setout in the notice convening the Annual General Meeting . The Deemed venue of the meeting is "Rahejas", 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road, Santacruz (W), Mumbai - 400 054.

### Financial Year

The Company follows April 1 to March 31 as its financial year. The results for every quarter beginning from April are declared as per the SEBI (LODR).

### Dividend Payment Date

The Board of Directors of the Company have not recommended any dividend for the financial year ended March 31, 2021.

### Listing Information

The Company's equity shares are listed on National Stock Exchange of India Limited and BSE Limited.

- National Stock Exchange of India Limited  
Address: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400051  
(Code: HATHWAY)
- BSE Limited  
Address: P.J. Towers, 1<sup>st</sup> Floor, Dalal Street, Mumbai-400001  
(Code: 533162)  
ISIN: INE982F01036

### Address for Correspondence

For General Correspondence:

Mr. Ajay Singh-Head Corporate Legal, Company Secretary and Chief Compliance Officer  
805/806, Windsor, Off C.S.T Road,  
Kalina, Santacruz (East), Mumbai - 400098.

For matters related to Share transfers, Dematerialization etc.:

### Registrar and Transfer Agents

Link Intime India Private Limited  
C-101, 247 Park,  
LBS Marg, Vikhroli West,  
Mumbai-400083  
Tel: (022) 49186000  
Fax: (022) 49186060  
Toll free Number : 91 22 49186000  
Email ID : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website : [www.linkintime.co.in](http://www.linkintime.co.in)

### Share Transfer System

As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. In this regard, communication regarding dematerialisation of shares and explaining procedure thereof, is available on the website of the Company .

During the year, the Company obtained, on half-yearly basis, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, sub-division, consolidation, renewal, exchange and deletion of names, were issued as required under Regulation 40(9) of the Listing Regulations read with SEBI Circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/59, dated April 13, 2020. These certificates were duly filed with the Stock Exchanges.

### Plant Locations

The Company is not engaged in manufacturing activities.

### Payment of Listing Fees

Annual listing fee for the financial year 2021-22 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

### Payment of Depository Fees

Annual Custody / Issuer fee is being paid by the Company within the due date based on invoices received from the Depositories.

### Fees Paid to Statutory Auditor

During the year, an amount of ₹ 10,843,500/- (Rupees One Crores Eight Lakhs Forty Three Thousand and Five Hundred only) was paid to M/s. Nayan Parikh & Co. the statutory auditors of the Company for all services rendered by it to the Company, its subsidiaries, and all entities in the network firm/network entity of which the statutory auditors is a part, on a consolidated basis.

### Credit Rating

As per India Ratings & Research, the Company's current credit rating is as under:

- 1) IND AAA (Long term)/Stable
- 2) IND A1+ (Short term)

### Details of Utilization of Funds Raised Through Preferential Allotment

During the financial year 2018-19, the Company had raised funds through following 2 (two) preferential allotments:

Sr. No.	Date of Allotment	Name of the Allottee	Number of Equity Shares	Amount (₹)
1.	August 29, 2018	Hathway Investments Private Limited	30,800,000	996,380,000
2.	January 30, 2019	Jio Content Distribution Holdings Private Limited	534,698,609	17,297,500,001
3.	January 30, 2019	Jio Internet Distribution Holdings Private Limited	214,296,755	6,932,500,024
4.	January 30, 2019	Jio Cable and Broadband Holdings Private Limited	159,814,636	5,170,003,475
<b>TOTAL</b>			<b>939,610,000</b>	<b>30,396,383,500</b>

The funds raised by the Company through preferential issue, have been utilised for the purpose stated in the explanatory statement of postal ballot dated July 20, 2018 and EGM Notice dated October 17, 2018.

The details of utilization of funds during the year are as follows:

Sr. No.	Purpose	Amount Utilized (₹)
1	General Corporate Purpose	28,583,180,000
	Balance to be utilized	1,813,203,500

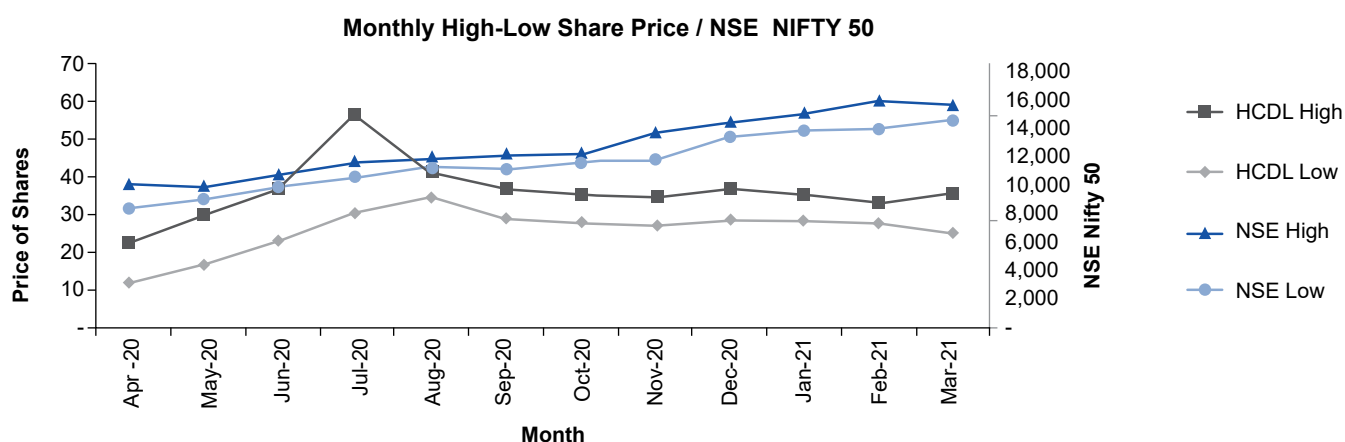
## STOCK MARKET PRICE DATA

### National Stock Exchange of India Limited

Monthly High and Low of Closing prices of the Company's Equity Shares traded at National Stock Exchange of India Limited for the financial year ended March 31, 2021 is given below:

Month	NSE (High)	NSE (Low)	(High)	(Low)
Apr-20	9,889.05	8,055.80	22.80	12.00
May-20	9,598.85	8,806.75	29.85	17.20
Jun-20	10,553.15	9,544.35	36.85	22.60
Jul-20	11,341.40	10,299.60	57.30	30.30
Aug-20	11,794.25	10,882.25	41.70	33.75
Sep-20	11,618.10	10,790.20	36.55	28.00
Oct-20	12,025.45	11,347.05	35.30	27.95
Nov-20	13,145.85	11,557.40	34.45	27.05
Dec-20	14,024.85	12,962.80	36.70	28.75
Jan-21	14,753.55	13,596.75	35.30	28.60
Feb-21	15,431.75	13,661.75	33.00	27.60
Mar-21	15,336.30	14,264.40	34.80	24.90

### Performance in comparison to NSE Nifty

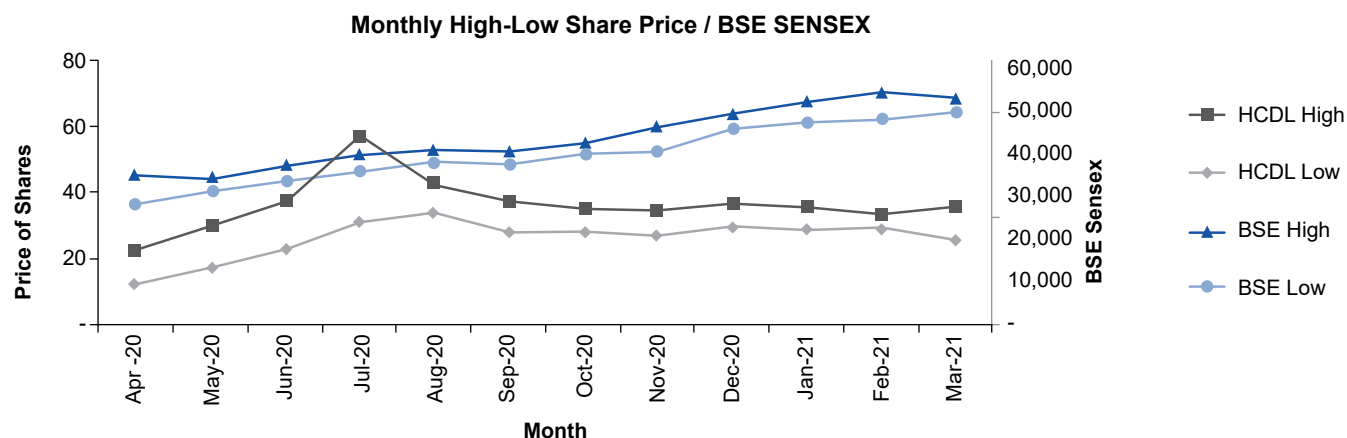


### BSE Limited

Monthly High and Low of closing prices of the Company's Equity Shares traded at BSE Limited for the financial year ended March 31, 2021 is given below:

Month	BSE SENSEX (High)	BSE SENSEX (Low)	(High)	(Low)
Apr-20	33,887.25	27,500.79	22.76	12.37
May-20	32,845.48	29,968.45	29.90	17.40
Jun-20	35,706.55	32,348.10	36.85	22.55
Jul-20	38,617.03	34,927.20	57.45	30.05
Aug-20	40,010.17	36,911.23	42.50	33.60
Sep-20	39,359.51	36,495.98	37.00	28.05
Oct-20	41,048.05	38,410.20	35.20	27.50
Nov-20	44,825.37	39,334.92	34.45	26.30
Dec-20	47,896.97	44,118.10	36.55	28.80
Jan-21	50,184.01	46,160.46	35.20	28.50
Feb-21	52,516.76	46,433.65	32.35	28.95
Mar-21	51,821.84	48,236.35	34.80	24.90

## Performance in comparison to BSE Sensex



## Distribution of Shareholding as on March 31, 2021-Based on Nominal Value

Sl. no.	Shareholding of Nominal Value (INR)		Number of Shareholders	% of Total	Share Amount (INR)	% of Total Issued Capital
	From	To				
1	1	1,000	68,780	83.9436	17,504,078	0.49
2	1,001	2,000	6,747	8.2345	11,281,978	0.32
3	2,001	4,000	3,342	4.0788	10,389,728	0.29
4	4,001	6,000	1,098	1.3401	5,718,354	0.16
5	6,001	8,000	464	0.5663	3,365,870	0.10
6	8,001	10,000	456	0.5565	4,378,794	0.12
7	10,001	20,000	622	0.7591	9,357,038	0.26
8	20,001	*****	427	0.5211	3,478,213,160	98.25
<b>TOTAL</b>			<b>81,936</b>	<b>100.0000</b>	<b>3,540,209,000</b>	<b>100.00</b>

## Distribution of Shareholding as on March 31, 2021-Based on Shares Held

Sl. no.	Shareholding of Nominal Value (INR)		Number of Shareholders	% of Total Shareholders	Total Shares for the Range	% of Total Issued Capital
	From	To				
1	1	500	68,780	83.9436	17,504,078	0.49
2	501	1,000	6,747	8.2345	11,281,978	0.32
3	1,001	2,000	3,342	4.0788	10,389,728	0.29
4	2,001	3,000	1,098	1.3401	5,718,354	0.16
5	3,001	4,000	464	0.5663	3,365,870	0.10
6	4,001	5,000	456	0.5565	4,378,794	0.12
7	5,001	10,000	622	0.7591	9,357,038	0.26
8	10,001	*****	427	0.5211	3,478,213,160	98.25
<b>TOTAL</b>			<b>81,936</b>	<b>100.0000</b>	<b>1,770,104,500</b>	<b>100.00</b>

### Category wise Distribution Schedule as on March 31, 2021

Sr. No.	Category	No. of Shares held	% of Total Issued Capital
1.	Directors	240,993,315	13.6146
2.	Corporate Bodies (Promoter Companies)	1,086,612,375	61.3869
3.	Clearing Members	214,097,983	12.0952
4.	Other Bodies Corporate	8,371,124	0.4729
5.	Financial Institutions	19,928,315	1.1258
6.	Foreign Portfolio Investors (Corporate)	57,992,938	3.2762
7.	Mutual Funds	77,202,049	4.3614
8.	Financial Institutions	19,928,315	1.1258
9.	Non-Resident Indians	12,064,331	0.6816
10.	Public	48,919,948	2.7637
11.	Hindu Undivided Family	1,202,013	0.0679
12.	Insurance Companies	2,118,220	0.1197
13.	Nationalised Banks	1,508	0.0001
14.	Alternate Investment Funds	270,000	0.0153
<b>Total</b>		<b>1,770,104,500</b>	<b>100.00</b>

### Dematerialization of Shares and Liquidity

The shares of the Company are compulsorily in demat segment and are available for trading in the depository systems of both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited under the ISIN INE982F01036.

As on March 31, 2021, except 16 equity shares, all the shares are held in dematerialized form.

### GDR'S/ADR'S/Warrants or any Convertible Instruments

The Company has not issued any GDR's/ADR's/Warrants or any convertible instruments pending conversion and hence it does not have any outstanding GDR's/ADR's/Warrants or any convertible instruments pending conversion likely to impact the Equity Share Capital of the Company.

### Details as per Clause F of Schedule V of SEBI (LODR)

Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account:

Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2020		Details of Shareholders approached during FY 2020-21 for claiming of shares		Details of Shareholders to whom the shares have been transferred during FY 2020-21		Aggregate number of shareholders and outstanding shares in the suspense account lying as on March 31, 2021	
No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares
11	4,250	-	-	-	-	11	4,250

Note: Shareholders may please note that voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the same.

### Employee Stock Options

During the year under review, no shares have been allotted under Employee Stock Options Scheme.

### Commodity Price Risks / Foreign Exchange Risk and Hedging Activities

The Company does not deal in commodities. The Company does not have any foreign receivable however it has foreign exchange exposure in terms of letter of credit or other arrangements with foreign suppliers for import of capital goods and services. The Company has in place a robust risk management framework for identification and monitoring and mitigation of foreign exchange risk. The risk are monitored and tracked on regular basis and mitigation strategy are adopted in line with risk management framework.

**Weblinks for the Matters Referred in this Report are as under**

Particulars	Website link
Composition of Board of Directors	<a href="https://www.hathway.com/About/AboutUs">https://www.hathway.com/About/AboutUs</a>
Composition of various Committees of the Board	<a href="https://www.hathway.com/assets/pdf/Compliance%20Report/2019-2020/Directory/Composition%20of%20the%20Committees%20of%20Board%20of%20Directors_16.10.2019.pdf">https://www.hathway.com/assets/pdf/Compliance%20Report/2019-2020/Directory/Composition%20of%20the%20Committees%20of%20Board%20of%20Directors_16.10.2019.pdf</a>
Familiarization Programme for Independent Directors	<a href="https://www.hathway.com/assets/pdf/ComplianceReport/2020-2021/Directory/Familiarization Programme_2020-21.pdf">https://www.hathway.com/assets/pdf/ComplianceReport/2020-2021/Directory/Familiarization Programme_2020-21.pdf</a>
Code for Independent Directors	<a href="https://www.hathway.com/assets/pdf/Policies/Code%20of%20Conduct%20for%20Independent%20Directors_2014-15_29.05.2014.pdf">https://www.hathway.com/assets/pdf/Policies/Code%20of%20Conduct%20for%20Independent%20Directors_2014-15_29.05.2014.pdf</a>
Code of Conduct for Board Members and Senior Management Personnel	<a href="https://www.hathway.com/assets/pdf/Policies/Code%20of%20Conduct%20for%20Board%20Members%20and%20Senior%20Management%20Personnel.pdf">https://www.hathway.com/assets/pdf/Policies/Code%20of%20Conduct%20for%20Board%20Members%20and%20Senior%20Management%20Personnel.pdf</a>
Nomination and Remuneration Policy	<a href="https://www.hathway.com/assets/pdf/Policies/NRC%20Policy.pdf">https://www.hathway.com/assets/pdf/Policies/NRC%20Policy.pdf</a>
Succession Plan	<a href="https://www.hathway.com/assets/pdf/Policies/HathwayCable_Sucession_Plan.pdf">https://www.hathway.com/assets/pdf/Policies/HathwayCable_Sucession_Plan.pdf</a>
Policy on Material Subsidiaries	<a href="https://www.hathway.com/assets/pdf/Policies/Policy%20on%20material%20subsidiaries_2014-15_11.02.2015.pdf">https://www.hathway.com/assets/pdf/Policies/Policy%20on%20material%20subsidiaries_2014-15_11.02.2015.pdf</a>
Related Party Transactions Policy	<a href="https://www.hathway.com/assets/pdf/Policies/Related%20Party%20Transactions%20Policy_16.01.2020.pdf">https://www.hathway.com/assets/pdf/Policies/Related%20Party%20Transactions%20Policy_16.01.2020.pdf</a>
Policy for Determination of Material Events	<a href="https://www.hathway.com/assets/pdf/Policies/HathwayCable_Policy_for_determination_of_Material_Events.pdf">https://www.hathway.com/assets/pdf/Policies/HathwayCable_Policy_for_determination_of_Material_Events.pdf</a>
Archival Policy	<a href="https://www.hathway.com/assets/pdf/Policies/HathwayCable_Archival_Policy.pdf">https://www.hathway.com/assets/pdf/Policies/HathwayCable_Archival_Policy.pdf</a>
Vigil Mechanism Policy	<a href="https://www.hathway.com/assets/pdf/Policies/Vigil%20Mechanism%20Policy_2014-15_29.05.2014.pdf">https://www.hathway.com/assets/pdf/Policies/Vigil%20Mechanism%20Policy_2014-15_29.05.2014.pdf</a>
Quarterly, Half-yearly and Annual Financial Results	<a href="https://www.hathway.com/About/QuarterlyFinancialResults#/panel5/q4">https://www.hathway.com/About/QuarterlyFinancialResults#/panel5/q4</a>
Annual Report	<a href="https://www.hathway.com/About/AnnualReport">https://www.hathway.com/About/AnnualReport</a>

**Compliance with Regulation 17 To 27 and Clauses (B) to (I) of Sub-Regulation (2) of Regulation 46 of SEBI (LODR)**

The Company has on a timely basis disclosed the compliance as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR).

Sr. No.	Particulars	Regulation	Compliance Status Yes / No / N.A.	Key Compliance observed
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>Composition and Appointment of Directors</li> <li>Meetings and quorum</li> <li>Review of compliance reports</li> <li>Plans for orderly succession for appointments</li> <li>Code of Conduct</li> <li>Fees / compensation to non-executive Directors</li> <li>Minimum information to be placed before the Board</li> <li>Compliance Certificate by CEO and CFO</li> <li>Risk assessment and risk management plan</li> <li>Performance evaluation of Independent Directors</li> <li>Recommendation of Board for each item of special business</li> </ul>

Sr. No.	Particulars	Regulation	Compliance Status Yes / No / N.A.	Key Compliance observed
2.	Maximum Number of Directorships	17A	Yes	<ul style="list-style-type: none"> <li>Directorships in listed entities</li> </ul>
3.	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Meetings and quorum</li> <li>Chairperson present at Annual General Meeting</li> <li>Role of the Committee</li> </ul>
4.	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Chairperson present at Annual General Meeting</li> <li>Meetings and quorum</li> <li>Role of the Committee</li> </ul>
5.	Stakeholders' Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Chairperson present at Annual General Meeting</li> <li>Meetings</li> <li>Role of the Committee</li> </ul>
6.	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Meetings</li> <li>Role of the Committee</li> </ul>
7.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>Vigil Mechanism for Directors and employees</li> <li>Adequate safeguards against victimization</li> <li>Direct access to Chairperson of Audit Committee</li> </ul>
8.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>Policy on Materiality of Related Party transactions and dealing with Related Party Transactions</li> <li>Prior approval including omnibus approval of Audit Committee for Related Party Transactions</li> <li>Periodical review of Related Party transactions</li> <li>Disclosure on Related Party Transactions</li> </ul>
9.	Subsidiaries of the Company	24	Yes	<ul style="list-style-type: none"> <li>Appointment of Company's Independent Director on the Board of material subsidiary</li> <li>Review of financial statements and investments of subsidiary by the Audit Committee</li> <li>Minutes of the Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors</li> <li>Significant transactions and arrangements of subsidiary are placed at the meeting of the Board of Directors</li> </ul>
10.	Secretarial Audit	24A	Yes	<ul style="list-style-type: none"> <li>Secretarial Audit of the Company</li> <li>Secretarial Audit of material unlisted subsidiaries incorporated in India</li> <li>Annual Secretarial Compliance Report</li> </ul>

Sr. No.	Particulars	Regulation	Compliance Status Yes / No / N.A.	Key Compliance observed
11.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>Maximum directorships and tenure</li> <li>Meetings of Independent Directors</li> <li>Cessation and appointment of Independent Directors</li> <li>Familiarisation of Independent Directors</li> <li>Declaration from Independent Directors that he / she meets the criteria of independence</li> <li>Directors and Officers insurance for all the Independent Directors</li> </ul>
12.	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes	<ul style="list-style-type: none"> <li>Memberships / Chairmanships in Committees</li> <li>Affirmation on compliance of Code of Conduct by Directors and Senior Management</li> <li>Disclosure of shareholding by non-executive Directors</li> <li>Disclosures by Senior Management about potential conflicts of interest</li> <li>No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter</li> </ul>
13.	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> <li>Filing of quarterly, half-yearly and yearly compliance report on Corporate Governance</li> </ul>
14	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> <li>Terms and conditions of appointment of Independent Directors</li> <li>Composition of various Committees of the Board of Directors</li> <li>Code of Conduct of Board of Directors and Senior Management Personnel</li> <li>Details of establishment of Vigil Mechanism / Whistle-blower policy</li> <li>Policy on dealing with Related Party Transactions</li> <li>Policy for determining material subsidiaries</li> <li>Details of familiarisation programmes imparted to Independent Directors</li> </ul>

## NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

The Company has obtained a Certificate from M/s. Rathi and Associates, Company Secretaries confirming that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority, as stipulated under Regulation 34 (3) of SEBI (LODR) which forms part of this Report as **Annexure - A**.

## CEO/CFO CERTIFICATION

The MD and Chief Financial Officer (CFO) of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statement and other matters related to internal controls in the prescribed format for the year

ended March 31, 2021 in terms of Regulation 17 (8) of SEBI (LODR). The MD and CFO also give quarterly certification on financial results while placing the financial results before the board in terms of Regulation 33(2) of SEBI (LODR).

## CODE OF CONDUCT DECLARATION

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, the affirmation that they have complied with the 'Code of Conduct' in respect of the financial year 2020-21.

Place: Mumbai  
Date: April 28, 2021

sd/-  
**RAJAN GUPTA**  
Managing Director  
DIN: 07603128

To,  
The Members,  
**HATHWAY CABLE AND DATACOM LIMITED**

### **Corporate Governance Certificate**

We have conducted online verification & examination, due to COVID-19 and subsequent lockdown situation, for the purpose of issuing this certification for the compliance of conditions of Corporate Governance by **Hathway Cable and Datacom Limited** ("the Company") for the financial year ended March 31, 2021, as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has in all material aspect complied with the conditions of Corporate Governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR RATHI & ASSOCIATES**  
COMPANY SECRETARIES

Sd/-  
**HIMANSHU KAMDAR**  
Partner  
M. NO. FCS 5171  
C.P. No. 3030

Date: April 28, 2021  
Place: Mumbai

## ANNEXURE - A

To,  
The Board of Directors  
Hathway Cable and Datacom Limited  
Rahejas, 4<sup>th</sup> floor, Corner of Main Avenue,  
V. P. Road Santacruz (West),  
Mumbai - 400 054

Dear Sirs,

**Re: Certificate pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Hathway Cable and Datacom Limited (CIN: L64204MH1959PLC011421) ("the Company") a Public Limited Company incorporated under the provisions of the erstwhile Companies Act, 1956 whose equity shares are listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE"), has approached us to issue certificate confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India (SEBI or Board)/Ministry of Corporate Affairs or any such statutory authority and based on the individual confirmations received from the Board of Directors of the Company who are in their respective office as on March 31, 2021 viz.

Sr. No.	Name of the Director	DIN
1.	Mr. Sridhar Gorthi	00035824
2.	Mr. Viren Rajan Raheja	00037592
3.	Mr. Akshay Rajan Raheja	00288397
4.	Mr. Sasha Gulu Mirchandani	01179921
5.	Ms. Ameeta Aziz Parpia	02654277
6.	Ms. Geeta Kalyandas Fulwadaya	03341926
7.	Mr. Rajan Gupta	07603128
8.	Mr. Saurabh Sancheti	08349457
9.	Mr. Anuj Jain	08351295

and we certify that:

None of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board /Ministry of Corporate Affairs or any such statutory authority.

This certificate is issued by us only for the purpose of disclosure to be furnished in the Corporate Governance Report of the Company for the financial year ended March 31, 2021, pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and should not be used for any other purpose.

**FOR RATHI & ASSOCIATES**  
COMPANY SECRETARIES

Date: April 28, 2021  
Place: Mumbai

Sd/-  
**HIMANSHU KAMDAR**  
Partner  
M. NO. FCS 5171  
C.P. No. 3030

# Independent Auditor's Report

To the Members of Hathway Cable and Datacom Limited

## Report on Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Hathway Cable and Datacom Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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, 2021, 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How our audit addressed the Key Audit Matters
1.	<b>Valuation and Disclosure of Deferred Tax Assets</b>  The Company has a significant amount of deferred tax assets, mainly resulting from unused tax losses and unabsorbed depreciation allowance. The accounting for deferred tax assets is significant to our audit since the Company makes judgments and estimates of forecasted taxable income in relation to the realization of deferred tax assets. As at March 31, 2021, the deferred tax assets are valued at ₹ 144.17 crores. Further reference is made to Note 2.06	Our procedures included, amongst others:  We tested management's assumptions used to determine that there is a reasonable certainty that deferred tax assets recognized in the balance sheet will be realized. This is based upon forecasted taxable income and the periods when the deferred tax assets can be utilized. The forecasts were evaluated by us considering the performance of the Company and related business plans approved by the management. Such evaluation included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies. We have also tested the effectiveness of the Company's internal controls around the valuation of deferred tax assets. We also assessed the adequacy of the Company's disclosures included in Note 2.06

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is

materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in 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, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements - Refer Note 4.02(f) to the standalone financial statements;
  - ii. 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(e) to the standalone financial statements; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Nayan Parikh & Co.**

Chartered Accountants  
Firm Registration No. 107023W

**K.Y. Narayana**

Partner

Membership No. 060639

UDIN: 21060639AAAAGJ5291

Place: Mumbai

Dated this 28<sup>th</sup> day of April, 2021

# 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, 2021:**

- |   |   |
|---|---|
| <p>(i) (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;</p> <p>(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. 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;</p> <p>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;</p> <p>(c) The Company does not hold any immovable properties which are freehold;</p> <p>(ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable;</p> <p>(b) The discrepancies noticed on physical verification as compared to the book records were not material having regards to size and nature of operations and have been properly dealt with in the books of account;</p> <p>(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.</p> | <p>Accordingly, paragraph 3(iii)(a), (b) and (c) of the Order are not applicable;</p> <p>(iv) Based on the audit procedures applied by us, the Company has complied with the terms of the provisions contained in the section 185 or section 186 of the Act in respect of investment made during the year under audit. The Company has not 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. The management has, based on legal opinion, represented that overdue book debts are not in the nature of loan and hence do not fall within the scope of section 185 of the Act. In such circumstances, para 3(iv) of the Order is not applicable;</p> <p>(v) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;</p> <p>(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;</p> <p>(vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as 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, 2021, for a period of more than six months from the date they became payable;</p> |
|---|---|

- (b) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax which have not been deposited with the concerned authorities on account of dispute are given below:

Sr No	Name of the Statute	Nature of the Dues	Amount involved (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
1	Karnataka Value Added Tax Act, 2003	Value Added tax	0.57	April 2012 - March 2013	Deputy Commissioner of Commercial taxes, (Audit)
2	Income tax Act, 1962	Income Tax (Penalty)	0.16	April 2014 - March 2015	Commissioner of Income Tax (Appeals)
3	The Telangana Value added Tax 2005	Value Added Tax	0.15 <sup>1</sup>	April 2015 - March 2016	Appellate Joint Commissioner (ST)
4	The Custom Act, 1962	Custom duty	17.90 <sup>2</sup> (includes penalty ₹ 8.95)	April 2011 - March 2012	Customs and Excise and Service Tax Appellate Tribunal (CESTAT)
5	The Custom Act, 1962	Custom duty	3.24 <sup>3</sup>	July 2020 - November 2020	The Deputy Commissioner, Customs
6	The Delhi Value added tax 2004	Value Added Tax	3.50	April 2016 - March 2017	Department of Trade and Taxes
7	The Central Sales Tax Act 1956	Central Sales tax	0.12	April 2013 - March 2014	Department of Trade and Taxes
8	Gujarat Value Added Tax Act 2003	Value Added tax	0.03	April 2017 - March 2018	Deputy Commissioner of Commercial Taxes
9	Income tax Act, 1962	Income Tax	42.91	April 2017 - March 2018	Commissioner of Income Tax (Appeals)

<sup>1</sup>Amount paid ₹ 0.02 crores

<sup>2</sup>Amount paid ₹ 0.67 crores

<sup>3</sup>Amount paid ₹ 3.24 crores

- (viii) Based on our audit procedure and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions, banks, and government. The Company has not issued any debentures;
- (ix) In our opinion and according to the information and explanations given to us and based on overall examination of records, the term loans have been applied for the purpose for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments);
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act;
- (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) According to the information and explanations given to us and based on our examination of records of the Company, the Company is in compliance with the provisions of section 177 and 188 of the Act, where applicable, for transactions with the related parties and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current financial year. However, during the previous financial year 2018-19, the Company had made preferential allotment of shares and the requirement of section 42 of the Act, as applicable, had been complied with. According to the information and explanations given by the management, out of the funds so raised, ₹ 2,858.32 crores have been utilized for the purposes for which those were raised and balance

funds to the extent of ₹ 181.32 crores pending such utilization, have been temporarily invested in Fixed Deposits with Banks;

- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, the Company has not entered into any non-cash transactions with directors or persons

connected with them covered under section 192 of the Act. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company; and

- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Nayan Parikh & Co.**

Chartered Accountants

Firm Registration No. 107023W

**K.Y. Narayana**

Partner

Membership No. 060639

UDIN: 21060639AAAAGJ5291

Place: Mumbai

Dated this 28<sup>th</sup> day of April, 2021

# Annexure B to the Independent Auditor's Report

**Referred to in paragraph 2(f) 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, 2021**

## **Opinion**

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2021 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, 2021 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.

Place: Mumbai

Dated this 28<sup>th</sup> day of April, 2021

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

**K.Y. Narayana**  
Partner  
Membership No. 060639  
UDIN: 21060639AAAAGJ5291

# Standalone Balance Sheet

as at March 31, 2021

(₹ in crores unless otherwise stated)

	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	2.01	767.13	771.56
Capital work in progress		28.50	26.61
Other Intangible assets	2.02	92.11	74.16
Financial Assets			
Investments	2.03	2,836.04	1,083.74
Loans	2.04	5.30	7.69
Other financial assets	2.05	4.64	4.36
Deferred tax assets (net)	2.06	144.17	176.62
Other Non-current assets	2.07	97.49	46.91
<b>Total Non-current assets</b>		<b>3,975.38</b>	<b>2,191.65</b>
<b>Current assets</b>			
Inventories	2.08	5.23	11.79
Financial Assets			
Investments	2.09	346.96	27.72
Trade receivables	2.10	1.11	0.21
Cash and cash equivalents	2.11	23.43	1,050.34
Bank balances other than Cash and cash equivalents	2.12	250.05	2,000.14
Loans	2.04	12.26	26.02
Other financial assets	2.05	9.97	132.19
Current Tax Assets (Net)	2.13	-	42.59
Other current assets	2.07	25.61	34.10
<b>Total Current assets</b>		<b>674.62</b>	<b>3,325.10</b>
<b>Total Assets</b>		<b>4,650.00</b>	<b>5,516.75</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	2.14	354.02	354.02
Other Equity	2.15	4,076.08	3,964.70
<b>Total Equity</b>		<b>4,430.10</b>	<b>4,318.72</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	2.16	-	43.99
Other financial liabilities	2.17	13.20	12.05
Provisions	2.18	2.63	2.18
Other Non-current liabilities	2.19	2.68	2.12
<b>Total Non-current liabilities</b>		<b>18.51</b>	<b>60.34</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	2.16	0.00*	908.58
Trade payables			
Total outstanding dues of:			
- Micro & small enterprises		0.03	-
- Other		47.32	44.28
Other financial liabilities			
Total outstanding dues of:			
- Micro & small enterprises	2.17	7.01	0.25
- Other	2.17	50.42	79.06
Other current liabilities	2.19	96.38	105.35
Provisions	2.18	0.23	0.17
<b>Total current liabilities</b>		<b>201.39</b>	<b>1,137.69</b>
<b>Total Equity and Liabilities</b>		<b>4,650.00</b>	<b>5,516.75</b>
<b>Summary of Significant Accounting Policies</b>	<b>1</b>		

\* Amount less than ₹ 50,000/-

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

As per our report of even date

**For Nayan Parikh & Co**

Chartered Accountants

Firm's Registration No: 107023W

**K.Y. Narayana**

Partner

Membership No: 060639

**Sitendu Nagchaudhuri**

Chief Financial Officer

**Ajay Singh**

Head Corporate Legal, Company

Secretary & Chief Compliance Officer

Membership No: F - 5189

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

**Rajan Gupta**

Managing Director

**Saurabh Sancheti**

**Anuj Jain**

**Geeta Fulwadaya**

**Akshay Raheja**

**Viren Raheja**

Non-Executive Director

**Sridhar Gorthi**

Chairman and Independent Director

**Sasha Mirchandani**

**Ameeta Parpia**

Independent Director

Place: Mumbai

Date: April 28, 2021

Date: April 28, 2021

# Standalone Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
<b>INCOME</b>			
Revenue from Operations	3.01	615.56	567.69
Other Income	3.02	134.30	250.34
		<b>749.86</b>	<b>818.03</b>
<b>EXPENDITURE</b>			
Operational Expenses	3.03	169.66	180.30
Employee Benefits Expense	3.04	56.41	56.81
Finance Cost	3.05	19.85	116.10
Depreciation, Amortization and Impairment	3.06	170.39	152.19
Other Expenses	3.07	189.03	198.93
		<b>605.34</b>	<b>704.33</b>
<b>Profit before Exceptional items and Tax</b>		<b>144.52</b>	<b>113.70</b>
Exceptional Items	3.08	0.92	6.01
<b>Profit before tax</b>		<b>143.60</b>	<b>107.69</b>
Tax Expense:			
Current Tax		-	-
Deferred Tax	2.06	32.45	91.05
<b>Profit for the Year (A)</b>		<b>111.15</b>	<b>16.64</b>
<b>Other Comprehensive Income (Net of Taxes)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the post employment benefit obligations		0.23	0.04
<b>Other Comprehensive Income for the year (B)</b>		<b>0.23</b>	<b>0.04</b>
<b>Total Comprehensive Income for the year (A+B)</b>		<b>111.38</b>	<b>16.68</b>
<b>Earnings per equity share (Face value of ₹ 2/- each) (Refer Note 4.01):</b>			
Basic and diluted (in ₹)		0.63	0.09
<b>Summary of Significant Accounting Policies</b>	1		

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

As per our report of even date  
**For Nayan Parikh & Co**  
Chartered Accountants  
Firm's Registration No: 107023W

**K.Y. Narayana**  
Partner  
Membership No: 060639

**Sitendu Nagchaudhuri**  
Chief Financial Officer

**Ajay Singh**  
Head Corporate Legal, Company  
Secretary & Chief Compliance Officer  
Membership No: F - 5189

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

<b>Rajan Gupta</b>	Managing Director
<b>Saurabh Sancheti</b> <b>Anuj Jain</b> <b>Geeta Fulwadaya</b> <b>Akshay Raheja</b> <b>Viren Raheja</b>	Non-Executive Director
<b>Sridhar Gorthi</b>	Chairman and Independent Director
<b>Sasha Mirchandani</b> <b>Ameeta Parpia</b>	Independent Director

Date: April 28, 2021

Place: Mumbai  
Date: April 28, 2021

# Standalone Statement of Changes in Equity

for the year ended March 31, 2021

## A. Equity Share Capital

(₹ in crores unless otherwise stated)

Particulars	Note No.	Amount
Balance at April 01, 2019	2.14	354.02
Changes in Equity Share Capital during the year		-
Balance at March 31, 2020	2.14	354.02
Changes in Equity Share Capital during the year		-
Balance at March 31, 2021	2.14	354.02

## B. Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained earnings	
Balance at April 01, 2019	4,725.79	(777.76)	3,948.03
Impact on account of adoption of Ind AS 116	-	(0.01)	(0.01)
Profit for the year	-	16.64	16.64
Other Comprehensive Income for the year	-	0.04	0.04
Balance at March 31, 2020	4,725.79	(761.09)	3,964.70
Profit for the year	-	111.15	111.15
Other Comprehensive Income for the year	-	0.23	0.23
Balance at March 31, 2021	4,725.79	(649.71)	4,076.08

## Summary of 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 Nayan Parikh & Co**  
 Chartered Accountants  
 Firm's Registration No: 107023W

**K.Y. Narayana**  
 Partner  
 Membership No: 060639

**Sitendu Nagchaudhuri**  
 Chief Financial Officer

**Ajay Singh**  
 Head Corporate Legal, Company  
 Secretary & Chief Compliance Officer  
 Membership No: F - 5189

## For and on behalf of the Board of Directors

<b>Rajan Gupta</b>	Managing Director
<b>Saurabh Sancheti</b> <b>Anuj Jain</b> <b>Geeta Fulwadaya</b> <b>Akshay Raheja</b> <b>Viren Raheja</b>	Non-Executive Director
<b>Sridhar Gorthi</b>	Chairman and Independent Director
<b>Sasha Mirchandani</b> <b>Ameeta Parpia</b>	Independent Director

Place: Mumbai  
 Date: April 28, 2021

Date: April 28, 2021

# Cash Flow Statement

for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Cash flow from operating activities</b>		
<b>Profit before Tax</b>	<b>143.60</b>	<b>107.69</b>
Depreciation, Amortization and Impairment	170.39	152.19
Amount no longer payable written back	(0.64)	(0.14)
(Reversal of impairment) / impairment of trade receivables	(0.58)	3.03
Impairment of Investment	0.25	-
Impairment of doubtful advances	2.18	2.00
Provision for leave encashment and gratuity	1.30	(1.39)
Share of loss / (profit) from LLP	(0.61)	0.14
Sundry Advances Written Off	14.35	0.09
Foreign Exchange Fluctuation	(1.49)	3.29
Loss on disposal of Property, Plant and Equipment	10.80	5.98
Net gain on financial assets measured at fair value through profit and loss	(3.21)	(0.27)
Gain on Sale of Current Investment (net)	(63.98)	(50.40)
Income from Fixed Deposit / Loans	(47.24)	(192.02)
Dividend Income from associate	(12.59)	(4.20)
Finance Cost	19.85	116.10
<b>Exceptional Items:</b>		
Impairment of trade receivables & exposure to certain entities including Joint Ventures	-	6.01
Loss on sale of investments in Subsidiaries and Joint Ventures (net)	0.92	-
	<b>233.30</b>	<b>148.10</b>
<b>Change in operating assets and liabilities:</b>		
Decrease/(increase) in trade receivables	(0.33)	2.57
Decrease/(increase) in inventories	6.40	1.20
Decrease/(increase) in other financial assets	1.94	2.15
Decrease/(increase) in other non-current assets	(31.28)	(5.58)
Decrease/(increase) in other current assets	8.48	(4.48)
Increase/(decrease) in trade payables	3.07	(0.12)
Increase/(decrease) in provisions	-	(0.57)
Increase/(decrease) in other current liabilities	(8.97)	20.84
Increase/(decrease) in other financial liabilities	6.54	(7.75)
<b>Cash generated from operations</b>	<b>219.15</b>	<b>156.36</b>
Less/(Add): Income taxes paid (net of refunds)	(20.83)	4.82
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>239.98</b>	<b>151.54</b>
<b>Cash flow from investing activities</b>		
Payments for acquisition of Property, Plant and Equipment	(204.08)	(230.51)
Proceeds from sale of Property, Plant and Equipment	1.38	0.36
Loans & advances repayment to related parties & Others	0.40	68.78
Investment in related parties (Net)	(1,800.25)	(0.70)
Proceeds from sale of investments in Subsidiaries and Joint Ventures	46.79	-
Payment for Purchase of investments-Mutual Funds	(2,766.40)	(741.92)
Proceeds from sale of investments-Mutual Funds/others	2,514.35	3,758.43
Invested in fixed deposits	(2,250.22)	(2,600.71)
Fixed Deposit redeemed during the year	4,000.08	659.23
Income from Fixed Deposit / Loans	169.11	61.75
Dividend from Associate received	12.59	4.20
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(276.25)</b>	<b>978.91</b>
<b>Cash flows from financing activities</b>		
Payment of lease liabilities	(0.29)	(0.39)
Repayments of Non - current Borrowings	(61.76)	(928.17)
Proceeds/(Repayments) from current borrowings (net)	-	897.59
Bank Overdrafts	(900.00)	-
Interest and finance charges	(20.00)	(110.85)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(982.05)</b>	<b>(141.82)</b>
<b>Net Increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(1,018.32)</b>	<b>988.63</b>
Cash and cash equivalents at the beginning of the year	1,050.34	53.12
Bank overdrafts at the beginning of the year	(8.59)	-
<b>Cash and cash equivalents at the end of the year</b>	<b>23.43</b>	<b>1,041.75</b>

# Cash Flow Statement

for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
<b>Cash and cash equivalents</b>		
Balances with banks:		
On current accounts	23.27	4.23
Cheques/drafts on Hand	-	0.12
Deposits with banks with original maturity of 3 months or less	-	1,045.78
Cash on hand	0.16	0.21
Bank overdrafts	0.00*	(8.59)
<b>Balance as per the cash flow statement</b>	<b>23.43</b>	<b>1,041.75</b>

\* Amount less than ₹ 50,000/-

**Note :**

- Above statement has been prepared by using Indirect method as per Ind AS 7 on Statement of Cash flows.
- Changes in liabilities arising from financing activities :

Particulars	As at March 31, 2020	Net Cash Flows	Non cash changes Foreign Exchange movement (Gain) / Loss	Fair value changes	As at March 31, 2021
Non - current Borrowings (including current maturities of Non-current Borrowings)	61.54	(61.76)	-	0.22	-
Current Borrowings	899.99	(900.00)	-	-	0.00*
<b>Total liabilities from financing activities</b>	<b>961.53</b>	<b>(961.76)</b>	<b>-</b>	<b>0.22</b>	<b>0.00*</b>

\* Amount less than ₹ 50,000/-

Particulars	As at March 31, 2019	Net Cash Flows	Non cash changes Foreign Exchange movement (Gain) / Loss	Fair value changes	As at March 31, 2020
Non - current Borrowings (including current maturities of Non-current Borrowings)	981.79	(928.17)	-	7.92	61.54
Current Borrowings	2.40	897.59	-	-	899.99
<b>Total liabilities from financing activities</b>	<b>984.19</b>	<b>(30.58)</b>	<b>-</b>	<b>7.92</b>	<b>961.53</b>

- The Company incurred an amount of ₹ 1.16 (Mar 31, 2020 : Nil) during the year ended March 31, 2021, towards CSR expenditure for purposes other than construction / acquisition of any asset.

As per our report of even date  
**For Nayan Parikh & Co**  
Chartered Accountants  
Firm's Registration No: 107023W

**K.Y. Narayana**  
Partner  
Membership No: 060639

**Sitendu Nagchaudhuri**  
Chief Financial Officer

**Ajay Singh**  
Head Corporate Legal, Company  
Secretary & Chief Compliance Officer  
Membership No: F - 5189

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

**Rajan Gupta** | Managing Director

**Saurabh Sancheti**  
**Anuj Jain**  
**Geeta Fulwadaya**  
**Akshay Raheja**  
**Viren Raheja** | Non-Executive Director

**Sridhar Gorthi** | Chairman and Independent Director

**Sasha Mirchandani**  
**Ameeta Parpia** | Independent Director

Place: Mumbai  
Date: April 28, 2021

Date: April 28, 2021

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

### BACKGROUND

Hathway Cable and Datacom Limited ("the Company") is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in distribution of internet services through cable and has strategic stake in entities engaged in Cable Television business. Its equity shares are listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE Limited) in India.

### Authorisation of standalone financial statements

The standalone financial statements were authorized for issue in accordance with a resolution of the Board of directors on April 28, 2021.

### 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
- Right of Use assets

#### 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:

- it is expected to be realised or intended to be sold or consumed in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realised within twelve months after the reporting period; or
- the 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:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

- (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 forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluates these estimates and assumptions based on the most recently available information.

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

#### Key assumptions

- (i) Financial instruments; (Refer note 4.11)
- (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; (Refer note 4.06)
- (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 conditions 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) Access devices 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.

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

- (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 & 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 and 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 and Equipment

- (vii) Depreciation on Property, Plant and 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 Access devices at the customer's 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 ₹ 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 Network Franchisee, Bandwidth Rights, Goodwill, Customer Acquisition Cost and Softwares.

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

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

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

- Network Franchisee are amortised over the period of five to twenty years.
- Softwares are amortised over the license period and in absence of such tenor, over five years.
- Bandwidth Rights are amortised over the period of the underlying agreements.
- Customer acquisition costs are amortised over the 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 Subsidiaries, Joint Ventures and Associates (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 or net realizable value.

Stock-in-trade comprising of access devices are valued at cost on weighted average method or at 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 cash flows, 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.

#### 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.

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

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

### Classification and Subsequent measurement: Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings 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 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

A subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

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 subsidiaries, associates and 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.

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

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. 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 and sale of products

The Company derives revenues primarily from Broadband business comprising of Internet services 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 recognize revenues, the Company applies the following five step approach:

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

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

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

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

### (ii) Other Operating Income

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

### (iii) Interest Income

Interest income from debt instruments 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 payment is 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.

### (v) Share of profit / loss from Partnership firms

Share of profit / loss from Partnership firm is recognised in the Statement of Profit and Loss in respect of the financial year of the Partnership firm ending on or before the balance sheet date, on the basis of its audited accounts.

## 1.17 TAXES ON INCOME

### Current Tax:

Tax on income for the current period is determined on the basis of 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.

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

### 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 recognized in the Statement of Profit and Loss.

### 1.22 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.

## to the Standalone Financial Statements for the year ended March 31, 2021

## ₹ in crores unless otherwise stated)

Particulars	Gross Carrying Amount			Accumulated Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year on disposal	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>Own Assets:</b>									
Plant and Equipment	993.83	156.76	14.57	1,136.02	258.44	130.81	9.63	379.62	735.39
Air conditioners	4.18	0.48	0.03	4.63	2.18	0.74	0.02	2.90	2.00
Structural fittings	2.72	-	-	2.72	0.97	0.27	-	1.24	1.48
Furniture & Fixtures	11.08	0.15	-	11.23	4.59	1.05	-	5.64	6.49
Mobile & Telephone	0.59	0.03	-	0.62	0.37	0.08	-	0.45	0.22
Computers	7.17	1.23	0.01	8.39	5.48	0.84	0.01	6.31	1.69
Office Equipments	2.57	0.32	-	2.89	1.79	0.39	-	2.18	0.78
Electrical Fittings	4.88	0.22	-	5.10	1.81	0.46	-	2.27	3.07
Motor Vehicles	0.63	-	-	0.63	0.27	0.06	-	0.33	0.36
<b>Total</b>	<b>1,027.65</b>	<b>159.19</b>	<b>14.61</b>	<b>1,172.23</b>	<b>275.90</b>	<b>134.70</b>	<b>9.66</b>	<b>400.94</b>	<b>751.75</b>
<b>Right of Use assets:</b>									
Building	-	0.65	-	0.65	-	0.38	-	0.38	-
<b>Total (B)</b>	<b>-</b>	<b>0.65</b>	<b>-</b>	<b>0.65</b>	<b>-</b>	<b>0.38</b>	<b>-</b>	<b>0.38</b>	<b>-</b>
<b>Total (A+B)</b>	<b>1,027.65</b>	<b>159.84</b>	<b>14.61</b>	<b>1,172.88</b>	<b>275.90</b>	<b>135.08</b>	<b>9.66</b>	<b>401.32</b>	<b>751.75</b>

Depreciation charge for the year includes Impairment of Plant and Equipment ₹ 29.64 (March 31, 2020: ₹ 42.80).

2 Refer note no 4.04 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

## 2.02 INTANGIBLE ASSETS:

(₹ in crores unless otherwise stated)

Particulars	Gross Carrying Amount			Accumulated Amortisation / Impairment			Net Carrying Amount	
	As at April 1, 2020	Addition	Disposal	As at April 1, 2020	For the Year on disposal	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Goodwill	0.11	-	-	0.11	-	0.11	-	-
Network Franchisee	6.05	-	-	2.80	0.42	3.22	2.83	3.25
Softwares	29.76	3.58	-	18.05	5.04	23.09	10.25	11.71
Bandwidth Rights	2.12	0.02	-	1.29	0.31	1.60	0.54	0.83
Customer Acquisition Cost	73.90	39.22	-	15.53	19.10	34.63	78.49	58.37
<b>Total</b>	<b>111.94</b>	<b>42.82</b>	<b>-</b>	<b>37.78</b>	<b>24.87</b>	<b>62.65</b>	<b>92.11</b>	<b>74.16</b>

Particulars	Gross Carrying Amount			Accumulated Amortisation / Impairment			Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	As at April 1, 2019	For the Year on disposal	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Goodwill	0.11	-	-	0.11	-	0.11	-	-
Network Franchisee	6.05	-	-	2.15	0.65	2.80	3.25	3.90
Softwares	27.42	2.34	-	13.28	4.77	18.05	11.71	14.14
Bandwidth Rights	2.12	-	-	0.97	0.32	1.29	0.83	1.15
Customer Acquisition Cost	36.96	36.94	-	4.17	11.36	15.53	58.37	32.79
<b>Total</b>	<b>72.66</b>	<b>39.28</b>	<b>-</b>	<b>20.68</b>	<b>17.10</b>	<b>37.78</b>	<b>74.16</b>	<b>51.98</b>

### Notes :

- 1 Amortisation charge for the year includes Impairment of Network Franchisee ₹ 0.01 (March 31, 2020: ₹ 0.22 )
- 2 Range of remaining period of amortisation as at March 31, 2021 of Intangible assets is as below:

	0 to 5 years	6 to 10 years	10 to 15 years	Total
Network Franchisee	2.02	0.81	-	2.83
Softwares	10.25	-	-	10.25
Customer Acquisition Cost	78.49	-	-	78.49
Bandwidth Rights	0.46	0.06	0.02	0.54
<b>Total</b>	<b>91.22</b>	<b>0.87</b>	<b>0.02</b>	<b>92.11</b>

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.03 NON-CURRENT INVESTMENTS

	Face Value Per Share ₹	March 31, 2021		March 31, 2020	
		Quantity	Amount	Quantity	Amount
Investments (measured at cost)					
Investment in Subsidiaries, Joint Ventures and Associates					
Quoted (fully paid up)					
Investment in Equity Shares of Subsidiary					
Hathway Bhawani Cabletel & Datacom Ltd.	10	2,020,000	2.39	2,020,000	2.39
Less : Impairment in value of investment			0.60		0.60
Investment in Equity Shares of Associate					
GTPL Hathway Ltd.	10	41,972,694	568.55	41,972,694	568.55
			570.34		570.34
Unquoted (fully paid up)					
Investment in Equity Shares of Subsidiaries					
Hathway Digital Ltd.	10	355,734,833	432.67	355,734,833	432.67
Hathway Krishna Cables Ltd.	10	-	-	7,808,333	15.41
Hathway Mysore Cable Network Ltd.	10	-	-	1,041,000	10.09
Hathway Software Developers Ltd.	10	-	-	758,000	9.53
UTN Cable Communications Ltd.	10	-	-	756,000	4.94
Hathway Kokan Crystal Network Ltd.	10	145,135	4.68	145,135	4.68
Hathway New Concept Cable & Datacom Ltd.	10	-	-	150,000	3.23
Hathway Broadband Ltd.	10	-	-	2,500,000	2.50
Hathway Mantra Cable & Datacom Ltd.	10	9,800	2.10	9,800	2.10
Hathway Enjoy Cable Network Ltd.	10	-	-	10,000	0.01
Hathway Media Vision Ltd.	10	-	-	65,040	-
Ideal Cables Ltd.	10	-	-	76,020	-
Channels India Network Pvt. Ltd.	10	87,500	-	87,500	-
Vision India Networks Ltd.	10	-	-	87,700	-
Hathway C-Net Ltd.	10	-	-	100,000	-
Chennai Cable Vision Network Pvt. Ltd.	10	136,800	-	136,800	-
Hathway Nashik Cable Network Pvt. Ltd.	10	45,300	-	45,300	-
Bee Network & Communication Ltd.	10	-	-	99,989	-
Win Cable and Datacom Ltd.	10	-	-	200,000	-
Elite Cable Network Pvt. Ltd.	10	48,000	-	48,000	-
Hathway Space Vision and Cabletel Ltd.	10	-	-	10,020	-
Hathway Gwalior Cable & Datacom Ltd.	10	-	-	10,000	-
Hathway JMD Farukhabad Cable Network Ltd.	10	-	-	10,000	-
Binary Technology Transfers Ltd.	100	-	-	1,000	-
Hathway Internet Satellite Ltd.	10	-	-	10,000	-
Hathway United Cables Ltd.	10	-	-	10,000	-
ITV Interactive Media Ltd.	100	-	-	8,250	-
Liberty Media Vision Ltd.	10	-	-	10,000	-
			439.45		485.16
Investment In 0.01% Non-Cumulative Optionally Convertible Preference Shares of Subsidiary					
Hathway Digital Ltd.	10	1,800,000,000	1,800.00		-
			1,800.00		

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

	Face Value Per Share ₹	March 31, 2021		March 31, 2020	
		Quantity	Amount	Quantity	Amount
<b>Investment in Equity Shares of Joint Ventures</b>					
Hathway Sai Star Cable & Datacom Pvt. Ltd.	10	82,463	11.10	82,463	11.10
Hathway MCN Pvt. Ltd.	10	963,000	8.01	963,000	8.01
Hathway Sonali Om Crystal Cable Pvt. Ltd.	10	68,000	5.29	68,000	5.29
Net 9 Online Hathway Pvt. Ltd.	10	-	-	5,000	2.01
Hathway Dattatray Cable Network Pvt. Ltd.	10	20,400	1.56	20,400	1.56
Hathway Cable MCN Nanded Pvt Ltd	10	1,305,717	1.37	1,305,717	1.37
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	10	51,000	0.97	51,000	0.97
Hathway Palampur Cable & Datacom Pvt. Ltd.	10	-	-	15,300	0.68
Hathway Digital Saharanpur Cable & Datacom Ltd.	10	-	-	10,200	0.48
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	10	249,000	-	249,000	-
Hathway ICE Television Pvt. Ltd.	10	102,000	-	102,000	-
Hathway Prime Cable & Datacom Pvt. Ltd.	10	229,500	-	229,500	-
Less : Impairment in value of investment			5.29		6.47
			23.01		25.00
<b>Investment in Equity Shares of Associates</b>					
Hathway VCN Cablenet Pvt. Ltd.	10	12,520	-	12,520	-
Pan Cable Services Pvt. Ltd.	10	10	-	10	-
			-		-
<b>Investment in Partnership Firm in the nature of Joint Venture</b>					
Hathway SS Cable & Datacom LLP			1.73		1.73
Less : Impairment in value of investment			1.73		1.73
			-		-
<b>Investments measured at amortised cost</b>					
<b>Unquoted</b>					
<b>Investment in Preference Shares of Subsidiary (fully paid up) *</b>					
Hathway Digital Ltd.	10	51,020	0.02	51,020	0.02
<b>Investment in Government Securities</b>					
National Savings Certificates			0.14		0.14
<b>Investment in equity shares of other companies (designated at FVTOCI)</b>					
<b>Unquoted</b>					
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	-	47,009	-
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	10	60,000	-	60,000	-
Hathway Patiala Cable Private Limited	10	71,175	3.08	71,175	3.08
			3.08		3.08
<b>Total Non-current Investments</b>			<b>2,836.04</b>		<b>1,083.74</b>
<b>Aggregate amount of quoted investments</b>			<b>570.34</b>		<b>570.34</b>
<b>Market Value of quoted investments</b>			<b>501.52</b>		<b>172.93</b>
<b>Aggregate amount of unquoted investments</b>			<b>2,262.62</b>		<b>510.32</b>
<b>Aggregate fair value of investments designated at FVTOCI</b>			<b>3.08</b>		<b>3.08</b>
<b>Aggregate amount of impairment in value of investments</b>			<b>7.62</b>		<b>8.80</b>

\* 5% Non-Cumulative Redeemable Preference Shares of ₹ 10 each - The carrying value of the equity component included in investment in 5% Non-cumulative Redeemable Preference Shares issued by wholly owned subsidiary Hathway Digital Ltd. is ₹ 0.02 (As at March 31, 2020 ₹ 0.02).

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.04 LOANS

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Security Deposits</b>				
Considered good - Unsecured	4.05	6.58	3.63	2.69
Security Deposits - credit impaired	2.28	1.60	-	-
Less: Allowance for bad & doubtful advances	2.28	1.60	-	-
<b>(A)</b>	<b>4.05</b>	<b>6.58</b>	<b>3.63</b>	<b>2.69</b>
<b>Loans to Related Parties</b>				
Considered good - Unsecured				
Loan to Subsidiaries, Joint Ventures and Associates	1.20	1.06	8.63	23.33
Investment in Preference Share Capital	0.05	0.05	-	-
Loan receivables - credit impaired	75.06	76.66	-	-
	<b>76.31</b>	<b>77.77</b>	<b>8.63</b>	<b>23.33</b>
Less : Provision for impairment	75.06	76.66	-	-
<b>(B)</b>	<b>1.25</b>	<b>1.11</b>	<b>8.63</b>	<b>23.33</b>
<b>Other Loans</b>				
Loan receivables - credit impaired	0.41	0.41	-	-
	<b>0.41</b>	<b>0.41</b>	-	-
Less : Provision for impairment	0.41	0.41	-	-
<b>(C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B+C)</b>	<b>5.30</b>	<b>7.69</b>	<b>12.26</b>	<b>26.02</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.

## 2.05 OTHER FINANCIAL ASSETS

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, considered good</b>				
Share Application Money (Refer note 4.02 b)	0.26	0.26	-	-
Bank deposits with more than 12 months maturity	4.38	4.10	-	-
Accrued Interest on Fixed Deposit	-	-	9.40	131.33
Accrued Interest on Loans Given	0.05	-	0.36	0.36
Less : Provision for impairment	0.05	-	-	-
Unbilled Revenue *	-	-	-	0.07
Other Receivables	-	-	0.21	0.43
<b>Total</b>	<b>4.64</b>	<b>4.36</b>	<b>9.97</b>	<b>132.19</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.

\* Classified as financial asset as right to consideration is unconditional upon passage of time.

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.06 DEFERRED TAX ASSETS (NET)

	As at March 31, 2021	As at March 31, 2020
The balance comprises of temporary differences attributable to -		
Deferred tax assets in relation to: *		
Unabsorbed depreciation	150.95	184.91
Others	15.01	15.84
	<b>165.96</b>	<b>200.75</b>
Deferred tax liabilities in relation to:		
Property, Plant and Equipment	21.79	24.13
	<b>21.79</b>	<b>24.13</b>
<b>DEFERRED TAX ASSETS (NET)</b>	<b>144.17</b>	<b>176.62</b>

Significant Estimates -

\*The deferred tax assets recognised is mainly in respect of unabsorbed depreciation allowance and brought forward losses available for set off for an indefinite period 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, 2021 and March 31, 2020:

	As at March 31, 2020	Recognised in Profit / (Loss)	As at March 31, 2021
Deferred Tax Assets in relation to:			
Unabsorbed depreciation	184.91	(33.96)	150.95
Others	15.84	(0.83)	15.01
	<b>200.75</b>	<b>(34.79)</b>	<b>165.96</b>
Deferred tax liabilities in relation to:			
Property, Plant and Equipment	24.13	(2.34)	21.79
	<b>24.13</b>	<b>(2.34)</b>	<b>21.79</b>
<b>Total</b>	<b>176.62</b>	<b>(32.45)</b>	<b>144.17</b>

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.07 OTHER ASSETS

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>CAPITAL ADVANCES</b>				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	-	0.03	-	-
Advance to Suppliers	2.95	3.00	-	-
Doubtful	0.55	0.30	-	-
Less: Allowance for bad & doubtful advances	0.55	0.30	-	-
<b>(A)</b>	<b>2.95</b>	<b>3.03</b>	<b>-</b>	<b>-</b>
<b>ADVANCES OTHER THAN CAPITAL ADVANCES</b>				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	0.11	0.13	2.92	2.19
Staff Advances	-	-	0.33	0.45
Sundry Advances	-	-	2.15	3.22
<b>Balance with Government authorities:</b>				
GST Recoverable	-	-	20.09	28.08
Balance with Statutory Authorities	8.96	8.96	0.10	0.14
Advance Income Tax (Net of Provision)	49.18	27.43	-	-
Deposits paid under Protest	36.29	7.36	-	-
Other Receivables	-	-	0.02	0.02
Doubtful	16.14	15.19	-	-
Less: Allowance for bad & doubtful advances	16.14	15.19	-	-
<b>(B)</b>	<b>94.54</b>	<b>43.88</b>	<b>25.61</b>	<b>34.10</b>
<b>Total (A+B)</b>	<b>97.49</b>	<b>46.91</b>	<b>25.61</b>	<b>34.10</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, 2021	As at March 31, 2020
Stock of Spares and Maintenance Items	5.23	11.79
<b>Total</b>	<b>5.23</b>	<b>11.79</b>

## 2.09 CURRENT INVESTMENTS

	As at March 31, 2021	As at March 31, 2020
<b>Unquoted</b>		
<b>Investments measured at fair value through profit and loss account</b>		
Investment in Mutual Funds	346.96	27.72
<b>Total</b>	<b>346.96</b>	<b>27.72</b>
Aggregate amount of unquoted investments	343.75	27.45

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.10 TRADE RECEIVABLES

	Current	
	As at March 31, 2021	As at March 31, 2020
Trade receivables - Unsecured	53.54	53.21
	<b>53.54</b>	<b>53.21</b>
Less: Provision for Impairment	52.43	53.00
<b>Total</b>	<b>1.11</b>	<b>0.21</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.

## 2.11 CASH AND CASH EQUIVALENTS

	Current	
	As at March 31, 2021	As at March 31, 2020
<b>Balances with banks:</b>		
In Current Accounts	23.27	4.23
Deposits with banks with original maturity of 3 months or less	-	1,045.78
Cheques / drafts on Hand	-	0.12
Cash in hand	0.16	0.21
<b>Total</b>	<b>23.43</b>	<b>1,050.34</b>

## 2.12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Margin money deposit*	-	4.10	250.00	2,000.14
Deposits with original maturity for more than 3 months but less than 12 months	-	-	0.05	-
Deposits with original maturity for more than 12 months	4.38	-	-	-
	<b>4.38</b>	<b>4.10</b>	<b>250.05</b>	<b>2,000.14</b>
Less: Amount disclosed under other financial asset (Refer Note 2.05)	4.38	4.10	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>250.05</b>	<b>2,000.14</b>

\* Marked under lien in favour of Banks

## 2.13 CURRENT TAX ASSETS (NET)

	As at March 31, 2021	As at March 31, 2020
<b>Current tax assets</b>		
Advance Income Tax (Net of Provisions)	-	42.59
<b>Total</b>	<b>-</b>	<b>42.59</b>

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.14 EQUITY SHARE CAPITAL

	As at March 31, 2021	As at March 31, 2020
<b>Authorised Capital</b>		
1,999,000,000 (March 31, 2020: 1,999,000,000) Equity Shares of ₹ 2 each	399.80	399.80
<b>Total</b>	<b>399.80</b>	<b>399.80</b>
<b>Issued, Subscribed and Paid up Capital</b>		
1,770,104,500 (March 31, 2020: 1,770,104,500) Equity Shares of ₹ 2 each fully paid-up	354.02	354.02
<b>Total</b>	<b>354.02</b>	<b>354.02</b>

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

	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
<b>Equity Shares of ₹ 2 each</b>				
Shares Outstanding at the beginning of the year	1,770,104,500	354.02	1,770,104,500	354.02
Shares Outstanding at the end of the year	<b>1,770,104,500</b>	<b>354.02</b>	<b>1,770,104,500</b>	<b>354.02</b>

### b) 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 ₹ 2 (March 31, 2020 : ₹ 2) 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.

### c) 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

Name of the Shareholder	As at March 31, 2021	As at March 31, 2020
	No. of Shares held	No. of Shares held
<b>Equity Shares of ₹ 2 each</b>		
Jio Content Distribution Holdings Private Limited \$	671,402,207	749,382,454
Jio Internet Distribution Holdings Private Limited \$	269,084,886	300,337,845
Jio Cable and Broadband Holdings Private Limited \$	200,673,607	223,980,916

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

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

d) **Details of shareholders holding more than 5% shares in the Company:**

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares of ₹ 2 each</b>				
Mr. Akshay Raheja	121,413,000	6.86	121,413,000	6.86
Mr. Viren Raheja	119,553,000	6.75	119,553,000	6.75
Hathway Investments Private Limited	112,645,015	6.36	112,645,015	6.36
Jio Content Distribution Holdings Private Limited	671,402,207	37.93	749,382,454	42.34
Jio Internet Distribution Holdings Private Limited	269,084,886	15.20	300,337,845	16.97
Jio Cable And Broadband Holdings Private Limited	200,673,607	11.34	223,980,916	12.65

## 2.15 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
Retained earnings	(649.71)	(761.09)
Securities Premium	4,725.79	4,725.79
<b>Total</b>	<b>4,076.08</b>	<b>3,964.70</b>

Description of the nature and purpose of each reserve within equity is as follows:

(a) **Retained Earning:**

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

(b) **Securities Premium:**

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

## 2.16 NON CURRENT BORROWINGS

	Non Current portion		Current maturities of long term debts	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Term Loans</b>				
<b>Secured</b>				
From Others	-	43.99	-	17.55
	-	<b>43.99</b>	-	<b>17.55</b>
Less: Amount disclosed under the head Other Financial Liabilities (Refer Note No. 2.17)				
- Current maturities of Long-Term Debts	-	-	-	17.55
<b>Net Amount</b>	-	<b>43.99</b>	-	-

## CURRENT BORROWINGS

	As at March 31, 2021	As at March 31, 2020
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Overdraft with bank	0.00*	908.58
<b>Total</b>	<b>0.00*</b>	<b>908.58</b>

\* Amount less than ₹ 50,000/-

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.17 OTHER FINANCIAL LIABILITIES

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Current maturities of Long-Term Debts (Refer note no. 2.16)	-	-	-	17.55
Security Deposits	13.20	12.05	-	-
Interest accrued and not due	-	-	0.55	0.93
Salary and Employee benefits payable	-	-	5.25	4.62
Payables for acquisition of property, plant and equipment				
- Micro enterprises and small enterprises	-	-	1.79	0.25
- Other	-	-	22.22	31.89
Lease Liability	-	-	-	0.28
Other Financial Liabilities	-	-		
- Micro enterprises and small enterprises	-	-	5.22	-
- Other	-	-	22.40	23.79
<b>Net Amount</b>	<b>13.20</b>	<b>12.05</b>	<b>57.43</b>	<b>79.31</b>

## 2.18 PROVISIONS

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Employee Benefits</b>				
Provision for Leave Encashment	2.63	2.18	0.23	0.17
<b>Total</b>	<b>2.63</b>	<b>2.18</b>	<b>0.23</b>	<b>0.17</b>

## 2.19 OTHER LIABILITIES

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Income received in advance	-	-	74.25	76.01
Statutory Payables	-	-	15.36	20.32
Gratuity (Funded)	2.68	2.12	-	-
Other Liabilities	-	-	6.77	9.02
<b>Total</b>	<b>2.68</b>	<b>2.12</b>	<b>96.38</b>	<b>105.35</b>

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 3.01 REVENUE FROM OPERATIONS

	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Revenue from operations</b>		
Sale of services	615.28	567.60
Sale of products	-	0.00*
Other operating revenues	0.28	0.09
<b>Total</b>	<b>615.56</b>	<b>567.69</b>

\* Amount less than ₹ 50,000/-

## 3.02 OTHER INCOME

	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Interest income earned on financial assets measured at Amortised Cost:</b>		
Bank Deposits	46.89	185.00
Interest on Loans	0.35	7.02
Dividend Income from associate	12.59	4.20
Share of Profit from LLP	0.61	-
<b>Other Non - operating income</b>		
Amount No Longer Payable Written Back	0.64	0.14
Interest on Income Tax Refund	4.07	3.11
Miscellaneous Income	0.21	0.20
<b>Other gains and losses</b>		
Gain on disposal of Current Investments (Net)	63.98	50.40
Net Gain on financial assets measured at fair value through profit and loss	3.21	0.27
Profit on Sale of property, plant and equipment (net)	0.25	-
Net gain on foreign currency fluctuations	1.50	-
<b>Total</b>	<b>134.30</b>	<b>250.34</b>

## 3.03 OTHER OPERATIONAL EXPENSES

	Year Ended March 31, 2021	Year Ended March 31, 2020
Commission	52.37	52.22
Bandwidth & Lease Line Cost	47.14	53.73
Licence Fees	11.95	25.56
Repairs and Maintenance ( Plant and Machinery )	10.84	6.50
Rent	14.65	15.27
Consultancy and Technical Fees	3.23	2.91
Other Sundry Operational Cost	20.11	15.90
Software and Programming Cost	2.30	2.53
Freight & Octroi Charges	1.20	0.87
Hire Charges	5.87	4.81
<b>Total</b>	<b>169.66</b>	<b>180.30</b>

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 3.04 EMPLOYEE BENEFITS EXPENSE

	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries & Bonus	50.83	50.93
Contribution to provident and other funds	3.13	3.10
Staff Welfare expenses	2.45	2.78
<b>Total</b>	<b>56.41</b>	<b>56.81</b>

## 3.05 FINANCE COST

	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest and Finance charges on financial liabilities	15.19	98.72
Other borrowing costs	4.65	17.34
Interest expenses on Lease Liability	0.01	0.04
<b>Total</b>	<b>19.85</b>	<b>116.10</b>

## 3.06 DEPRECIATION, AMORTISATION AND IMPAIRMENT

	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation of Property, Plant and Equipment	115.61	91.90
Amortisation of Intangible Assets	24.86	16.89
Depreciation on Right of Use Assets	0.27	0.38
Impairment of Property, Plant and Equipment	29.64	42.80
Impairment of Other Intangible Assets	0.01	0.22
<b>Total</b>	<b>170.39</b>	<b>152.19</b>

## 3.07 OTHER EXPENSES

	Year Ended March 31, 2021	Year Ended March 31, 2020
Service Charges	118.28	120.65
Advances Written Off	-	2.00
Less: Transfer from provision for impairment	-	2.00
	-	-
Impairment of trade receivables (Expected credit loss) (net)	(0.58)	3.03
Electricity Expenses	14.67	16.22
Advertisement & Promotion expenses	6.80	15.58
Legal & Professional Charges	2.25	3.76
Rent - Offices	4.19	4.70
Conveyance	0.65	3.43
Repairs & Maintenance (Others)	2.44	3.31
Office Expenses	1.65	1.69
Travelling	0.61	2.18
Communication Charges	1.74	1.79
Rates & taxes	1.58	3.80
Loss on disposal / shortage of Property, Plant and Equipment	11.05	5.98

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Printing & Stationery	0.54	0.99
Insurance Charges	0.95	1.35
Business Promotion Expenses	0.03	0.07
Sundry Advances Written Off	14.35	0.09
Interest on Taxes	0.29	1.62
Share of Loss from LLP	-	0.14
Loss on Foreign Exchange Fluctuation (Net)	-	2.47
Impairment of advances	2.18	2.00
Sitting Fees	0.29	0.28
Miscellaneous Expenses	0.78	2.97
<b>Auditor's Remuneration</b>		
- Statutory Audit Fees	0.36	0.36
- Limited Review, Consolidation and Certification Fees	0.66	0.47
Corporate Social Responsibility Expenses	1.16	-
Other Expenses	1.86	-
Impairment of Investment	0.25	-
<b>Total</b>	<b>189.03</b>	<b>198.93</b>

## 3.08 EXCEPTIONAL ITEMS\*

	Year Ended March 31, 2021	Year Ended March 31, 2020
Impairment of trade receivables and exposure to certain entities including Joint Ventures	-	6.01
Loss on sale of Subsidiaries / Joint Ventures (Net)	0.92	-
<b>Total</b>	<b>0.92</b>	<b>6.01</b>

\* Refer Note 4.05

## 4.01 Earnings Per Share

	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Basic earnings per share: (₹)</b>		
Attributable to equity holders of the Company	0.63	0.09
<b>Diluted earnings per share: (₹)</b>		
Attributable to equity holders of the Company	0.63	0.09
Nominal value of Ordinary shares (₹ per Share):	2.00	2.00
<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	111.15	16.64
<b>Diluted earnings per share</b>		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	111.15	16.64
<b>Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share</b>	<b>1,770,104,500</b>	<b>1,770,104,500</b>

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### 4.02 Contingent Liabilities

- a) During the year, the Company has received Show Cause cum Demand notices ("SCNs") from the Department of Telecommunications ("DOT"), Government of India for the financial years 2006-07, 2007-08 and 2008 -09 towards ISP license fees aggregating to ₹ 376.40 which includes penalty and interest thereon as of September 30, 2020. The Company has responded to DOT contesting their inclusion of Cable TV revenue in arriving at Adjusted Gross Revenue (AGR) for calculation of License Fee payable by the Company under the ISP License in these SCNs. Based on the opinion of legal expert, the Company is confident that it has good grounds on merit to defend itself in the above matter. Accordingly, the Company is of the view that no provision is necessary in respect of the aforesaid matter in the financial results.
- b) The minority shareholders of the erstwhile joint venture company, Hathway Rajesh Multichannel Pvt. Ltd., filed an arbitration petition against the Company before the High Court, Bombay, which was referred to a sole arbitrator in August 2016. The minority shareholders, in their statement of claim have sought, amongst other reliefs, payment of ₹ 54.98 (March 31, 2020: ₹ 54.98) under various heads. The Company has refuted the claims and has made counter claim of ₹ 91.17 (March 31, 2020: ₹ 91.17) towards inter-alia outstanding content cost, loans, payments and damages / compensation for the loss of financial and management credibility, goodwill etc. The matter is currently pending.
- c) On conclusion of investigation by the Directorate of Revenue Intelligence (DRI) on alleged evasion of customs duty on import of software licence of viewing cards, the Commissioner of Customs (Import) has passed an order demanding Custom's Duty of ₹ 8.95 (March 31, 2020: ₹ 8.95) and penalty of ₹ 8.95 (March 31, 2020: ₹ 8.95). The Company has deposited ₹ 0.67 (March 31, 2020: ₹ 0.67) under protest and filed an appeal against the order before Customs and Excise and Service Tax Appellate Tribunal (CESTAT), Western Zonal Branch, Mumbai. Such appeal is pending before the CESTAT.

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

Matters with	As at March 31, 2021	As at March 31, 2020
Operators & Others	0.59	0.49
Income Tax Matter under Appeal	43.07	0.16
Other Statutory Authorities	0.29	0.40
VAT Authorities	4.24	0.75
Custom's Duty under Provisional Assessment	3.24	-
<b>Total</b>	<b>51.43</b>	<b>1.80</b>

Pursuant to Business Transfer Agreement dated March 24, 2017, the Company has transferred its Cable Television business which inter alia includes claims against the Company not acknowledged as debts, by way of slump sale to its wholly owned subsidiary Hathway Digital Limited (HDL). Accordingly, the details of such claims, litigation etc. relating to Cable Television business transferred to HDL are not disclosed hereinabove

- e) **Foreseeable losses**

The Company has a process whereby periodically all long term 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.

- f) **Note on pending litigations**

The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. 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 ₹ 20 (March 31, 2020: ₹ 1,057.70) to Banks & ₹ Nil (March 31, 2020: ₹ 1.24) to Others towards various credit facilities extended by them to related parties.

The Company has given Letter of Comfort of ₹ Nil (March 31, 2020: ₹ 7.46) to Banks towards various credit facilities extended by them to related parties.

### 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 ₹ 72.58 (March 31, 2020: ₹ 34.87).

As a part of business strategy, the Company has expanded its area of operations in various parts of the country by entering into arrangements with local partners. Such operations are in the form of subsidiaries/joint ventures. Since operations of such entities are significantly dependent on the company's policies, the Company is committed to provide the required support towards the operations of such entities including financial support that may be required to meet commitments/obligations of such entities.

### 4.05 Exceptional Items

During the current financial year, the Company has sold investments in certain Subsidiaries and Joint ventures. The loss on sale of investments in such entities being non-routine in nature, has been disclosed as "Exceptional Item" in the financial statements.

### 4.06 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 (March 31, 2020: ₹ 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.

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 and 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 affected in case of increase in future salaries being more than assumed.

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
<b>1 Expense recognized in the statement of Profit and Loss</b>		
Current Service Cost	0.65	0.63
Net Interest	0.14	0.24
Past Service Cost	-	-
<b>Expense recognized in the statement of Profit and Loss</b>	<b>0.79</b>	<b>0.87</b>
<b>2 Other Comprehensive Income (OCI)</b>		
Measurement of net defined benefit liability		
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	0.32
Actuarial (gains)/ losses arising from changes in financial assumption	0.13	0.21
Actuarial (gains)/ losses arising from experience adjustments	(0.24)	(0.48)
Return on plan asset excluding net interest (gain)/(losses)	(0.12)	(0.08)
<b>Total Actuarial (Gain)/loss recognised in OCI</b>	<b>(0.23)</b>	<b>(0.04)</b>
<b>3 Change in benefit obligations:</b>		
Projected benefit obligations at beginning of the year	5.07	4.52
Current Service Cost	0.65	0.63
Interest Cost	0.33	0.31
Past Service Cost	-	-
Benefits Paid	(0.17)	(0.43)
Actuarial (Gain) / Loss		
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	0.32
Actuarial (gains)/ losses arising from changes in financial assumption	0.13	0.21
Actuarial (gains)/ losses arising from experience adjustments	(0.24)	(0.48)
<b>Projected benefit obligations at end of the year</b>	<b>5.77</b>	<b>5.07</b>
<b>4 Fair Value of Plan Assets</b>		
Opening Fair Value of Plan Asset	2.95	1.13
Return on Plan Assets excl. interest income (gain)/losses	0.12	0.08
Interest Income	0.19	0.07
Contributions by Employer	-	0.13
Assets acquired/ (settled)*	-	1.97
Benefits Paid	(0.17)	(0.43)
<b>Fair Value of Plan Assets at end of the year</b>	<b>3.09</b>	<b>2.95</b>
*On account of business combination / inter group transfer		
<b>5 Net Liability</b>		
Projected benefit obligations at end of the year	5.77	5.07
Fair Value of Plan Asset at the end of the year	3.09	2.95
<b>Net Liability</b>	<b>2.68</b>	<b>2.12</b>
<b>6 The net liability disclosed above relates to funded plans are as follows</b>		
Projected benefit obligations at end of the year	5.77	5.07
Fair Value of Plan Asset at the end of the year	3.09	2.95
<b>Deficit of gratuity plan</b>	<b>2.68</b>	<b>2.12</b>

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
<b>7 Sensitivity Analysis</b>		
Present value of benefit obligation at the end of the year on		
0.5 % increase in discount rate	5.59	4.91
0.5 % decrease in discount rate	5.96	5.24
0.5 % increase in rate of salary increase	5.94	5.24
0.5 % decrease in rate of salary increase	5.60	4.90
1% increase in attrition rate	5.79	5.10
1% decrease in attrition rate	5.75	5.05
10% increase in mortality rate	5.77	5.07
10% decrease in mortality rate	5.77	5.07
<b>8 Principal assumptions used for the purpose of actuarial valuation</b>		
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
Interest /discount rate	6.55%	6.90%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	6.26	7.39
Employee Attrition Rate (Past service(PS))	21-30 Year : 14.3% 31-40 Year : 16.9% 41-50 Year : 10.00% 51-57 Year : 0.00%	21-30 Year : 14.3% 31-40 Year : 16.9% 41-50 Year : 10.00% 51-57 Year : 0.00%
<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 contribution benefit 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 ₹ 2.34 (March 31, 2020: ₹ 2.23) represents contribution payable to these plans by the Company at the rates specified in the rules of plan.

## 4.07 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.

## 4.08 Leases

### (a) Lessee:

#### Financial Year 2020-21

Short term leases accounted in the statement of Profit and Loss is ₹ 24.71 (2019-20: ₹ 24.78)

The Company's significant leasing arrangements in terms of Ind AS 116 on lease are in respect of Leases for Premises and Equipments. Some of these lease arrangements have price escalation clauses. The period of these leasing arrangements, range between eleven months to nine years and are renewable by mutual consent.

### (b) Lessor:

The right to use granted to subsidiaries in respect of Access devices are not classified as lease transactions as the same are not for an agreed period of time.

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

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

Particulars	March 31, 2021	March 31, 2020
Principal amount due and remaining unpaid	7.04	0.25

## 4.10 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 through capital market options.

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

## 4.11 Financial Instruments:

### (i) Methods & assumptions used to estimate the fair values

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

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

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair values of long term security deposits taken and non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- 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

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	Carrying values	Fair value	Carrying values	Fair value
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Investment in Government securities	0.14	0.14	0.14	0.14
Trade receivables	1.11	1.11	0.21	0.21
Loans	17.56	17.56	33.71	33.71
Cash and Bank balances	277.86	277.86	3,054.58	3,054.58
Other financial assets	10.23	10.23	132.45	132.45
<b>Total (A)</b>	<b>306.90</b>	<b>306.90</b>	<b>3,221.09</b>	<b>3,221.09</b>

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	Carrying values	Fair value	Carrying values	Fair value
<b>Measured at fair value through profit or loss</b>				
Investment in mutual funds	346.96	346.96	27.72	27.72
<b>Total (B)</b>	<b>346.96</b>	<b>346.96</b>	<b>27.72</b>	<b>27.72</b>
<b>Measured at fair value through other comprehensive income</b>				
Investment in equity instruments of other companies	3.08	3.08	3.08	3.08
<b>Total (C)</b>	<b>3.08</b>	<b>3.08</b>	<b>3.08</b>	<b>3.08</b>
<b>Total Financial assets (A+B+C)</b>	<b>656.94</b>	<b>656.94</b>	<b>3,251.89</b>	<b>3,251.89</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings #	0.00	0.00	970.12	970.12
Trade payables	47.35	47.35	44.28	44.28
Other financial liabilities	43.01	43.01	73.81	73.81
<b>Total Financial liabilities</b>	<b>90.36</b>	<b>90.36</b>	<b>1,088.21</b>	<b>1,088.21</b>

# includes current maturities of long term debts

## Level wise disclosure of financial instruments

Particulars	As at March 31, 2021	As at March 31, 2020	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies	3.08	3.08	3	Discounted Cash Flow method
Investment in Mutual funds	346.96	27.72	1	Closing Net Asset Value of Mutual Fund

## 4.12 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 Company expose it to financial risks namely Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Company, it uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency swap contracts, call options to hedge certain foreign currency risk exposures, wherever considered appropriate, and follows policies set up by the Treasury function under policies approved by the Board of Directors.

### 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 exposure of the Company to credit risk arises mainly from the trade receivables, unbilled revenue, loans given and financial guarantee contract and derivative financial instruments.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and 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.

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

The Company's major revenue streams arises from services provided to end use customers in the form of monthly subscription income, which predominantly follows a prepaid model. 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.

The Company follows a simplified approach (i.e based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables and unbilled revenue. For the purpose of measuring the lifetime ECL allowance for trade receivables and unbilled revenue, the Company uses a provision matrix which comprises a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. In addition, in case there are events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.

### Reconciliation of changes in the loss allowances measured using life-time expected credit loss model - Trade receivables

Particulars	Amount
<b>As at April 01, 2019</b>	<b>50.30</b>
Provided during the year	3.72
Amounts written off	1.02
Reversals of Provision	-
<b>As at March 31, 2020</b>	<b>53.00</b>
Provided during the year	0.38
Amounts written off	-
Reversals of Provision	0.95
<b>As at March 31, 2021</b>	<b>52.43</b>

## 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, 2021	less than 1 year	1 to 5 year	Total
<b>Non-Derivatives</b>			
Trade payables	47.35	-	47.35
Borrowings	0.00	-	0.00
Other financial liabilities	29.81	13.20	43.01
<b>Total</b>	<b>77.16</b>	<b>13.20</b>	<b>90.36</b>

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

As at March 31, 2020	less than 1 year	1 to 5 year	Total
<b>Non-Derivatives</b>			
Trade payables	44.28	-	44.28
Borrowings*	926.23	44.12	970.35
Lease Liability	0.28	-	0.28
Other financial liabilities	61.48	12.05	73.53
<b>Total</b>	<b>1,032.27</b>	<b>56.17</b>	<b>1,088.45</b>

\*Include ₹ 0.22 as Prepaid Finance Charges.

The Company from time to time in its usual course of business issues financial guarantees and letter of comfort to certain subsidiaries, associates and joint ventures. Company has issued corporate guarantee and letter of comfort for debt of ₹ 20.00 (March 31, 2020: ₹ 1,066.40). The outflow in respect of these guarantees and letter of comfort will arise only upon default of such subsidiaries, associates and joint ventures. ₹ 20.00 (March 31, 2020: ₹ 1,066.40) 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 and (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 borrowings / 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 including derivative 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 March 31, 2021	As at March 31, 2020
	USD	USD
<b>Liabilities</b>		
Trade payables	12.81	19.30

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

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

Currency	March 31, 2021		March 31, 2020	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
<b>Accounts Payables</b>				
USD	0.18	12.81	0.25	19.30
<b>Other Firm Commitments</b>				
USD	0.80	58.38	0.29	21.73

On the INR USD Cross Currency Swap Contracts, the actual interest earned on notional INR deposit, interest paid on notional USD borrowing and marked to market loss on USD exposure aggregating net gain / (loss) of ₹ NIL (March 31, 2020: ₹ (1.88) ) are included under finance cost in note number 3.05 in Notes to the financial statements.

### Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit / (loss) before tax and on other components of equity

Particulars	Impact on Profit : Increase/(Decrease)			
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(0.13)	(0.19)	0.13	0.19

Particulars	Impact on other components of equity : Increase/(Decrease)			
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(0.13)	(0.19)	0.13	0.19

### (b) Market Risk -Price Risk:

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At March 31 2021, the investments in mutual funds is ₹ 346.96 (March 31, 2020: ₹ 27.72). 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 and no demonstrated track record of price volatility.

### Price risk sensitivity:

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

Particulars	Impact on Profit: Increase/(Decrease)		Impact on equity Increase/(Decrease)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Price - increase by 0.10%*	0.35	0.03	0.35	0.03
Price - decrease by 0.10% *	(0.35)	(0.03)	(0.35)	(0.03)

\* assuming all other variables as constant

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 4.13 Related Party Disclosures

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

#### i) The company is controlled by the following entities:

Entities exercising control #	Reliance Industries Limited
	Reliance Industrial Investments and Holdings Limited*
	(Protector of Digital Media Distribution Trust)
	Digital Media Distribution Trust
	Jio Content Distribution Holdings Private Limited \$
	Jio Internet Distribution Holdings Private Limited \$
	Jio Cable and Broadband Holdings Private Limited \$

#### ii) Under Control of the Company

1 Wholly Owned Subsidiaries	Bee Network and Communication Limited @
	Binary Technology Transfers Limited @
	Hathway CNet Limited @
	Hathway Enjoy Cable Network Limited @
	Hathway Gwalior Cable & Datacom Limited @
	Hathway Internet Satellite Limited @
	Hathway JMD Farukhabad Cable Network Limited @
	Hathway Media Vision Limited @
	Hathway Space Vision Cabletel Limited @
	Hathway United Cables Limited @
	Ideal Cables Limited @
	ITV Interactive Media Limited @
	Liberty Media Vision Limited @
	Vision India Network Limited @
	Win Cable and Datacom Limited @
	Hathway Broadband Limited @
	Hathway New Concept Cable & Datacom Limited @
	Hathway Mantra Cable & Datacom Limited
	Hathway Software Developers Limited @
	UTN Cable Communications Limited @
	Hathway Mysore Cable Network Limited @
	Hathway Krishna Cable Limited @
	Hathway Digital Saharanpur Cable & Datacom Limited @
	Hathway Digital Limited
2 Other – Subsidiaries	Chennai Cable Vision Network Private Limited
	Channels India Network Private Limited
	Elite Cable Network Private Limited
	Hathway Nashik Cable Network Private Limited
	Hathway Bhawani Cabletel And Datacom Limited
	Hathway Kokan Crystal Cable Network Limited
3 Step Down Subsidiaries	Bee Network and Communication Limited @
	Binary Technology Transfers Limited @
	Hathway CNet Limited @
	Hathway Enjoy Cable Network Limited @
	Hathway Gwalior Cable & Datacom Limited @
	Hathway Internet Satellite Limited @
	Hathway JMD Farukhabad Cable Network Limited @
	Hathway Media Vision Limited @
	Hathway Space Vision Cabletel Limited @
	Hathway United Cables Limited @
	Ideal Cables Limited @
	ITV Interactive Media Limited @
	Liberty Media Vision Limited @
	Vision India Network Limited @
	Win Cable and Datacom Limited @
	Hathway Broadband Limited @
	Hathway New Concept Cable & Datacom Limited @
	Hathway Software Developers Limited @
	UTN Cable Communications Limited @
	Hathway Mysore Cable Network Limited @
	Hathway Krishna Cable Limited @
	Hathway Digital Saharanpur Cable & Datacom Limited @

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## iii) Other Related parties:

1	Fellow Subsidiaries #	Reliance Corporate IT Park Limited^ Reliance Jio Infocomm Limited^ Reliance Retail Finance Limited^ Den Networks Limited^ Den Broadband Private Limited^ Jio Haptik Technologies Limited^
2	Joint Ventures	Hathway Digital Saharanpur Cable & Datacom Limited (upto December 15, 2020) Hathway Sai Star Cable & Datacom Private Limited Hathway MCN Private Limited Hathway Channel 5 Cable & Datacom Private Limited Net 9 Online Hathway Private Limited (Upto March 18, 2021) Hathway Cable MCN Nanded Private Limited Hathway Latur MCN Cable & Datacom Private Limited Hathway Palampur Cable Network Private Limited (upto February 11, 2021) Hathway ICE Television Private Limited Hathway Sonali Om Crystal Cable Private Limited Hathway Dattatray Cable Network Private Limited Hathway Prime Cable & Datacom Private Limited Hathway SS Cable & Datacom - LLP
3	Associate Companies	Pan Cable Services Private Limited Hathway VCN Cablenet Private Limited GTPL Hathway Limited
4	Trusts - Post Employment Benefit Trust	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme
5	Key Management Personnel	<b>Executive Director:-</b> Mr. Rajan Gupta - Managing Director <b>Non Executive Directors :-</b> <b>Independent Directors</b> Mr. Sridhar Gorthi Mr. Sasha Gulu Mirchandani Ms. Ameeta A Parpia <b>Non Independent Directors</b> Mr. Viren R Raheja Mr. Akshay R Raheja Ms. Geeta Fulwadaya Mr. Anuj Jain Mr. Saurabh Sancheti

# w.e.f. January 30, 2019

\* 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.

@ Subsidiary upto March 9, 2021 and step down subsidiary with effect from March 10, 2021.

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## B) Related Party Transactions

### Compensation to Key Management Personnel:-

Particulars	March 31, 2021	March 31, 2020
(a) Short Term employee benefits*	5.06	4.56
(b) Post employment benefits	0.13	0.13
(c) Other long term benefits	-	-
<b>Total Compensation</b>	<b>5.19</b>	<b>4.69</b>

\* Short Term Employee Benefits include sitting fees paid to Directors

As the employment benefits such as Gratuity & Leave encashment are provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Management Personnel is not ascertainable and therefore not included above.

Nature of Transactions	Name of the Party	Relationship	2020-21	2019-20
<b>Income</b>				
Subscription Income	Net 9 Online Hathway Private Limited	Joint Venture	0.56	0.64
Consultancy Income	Net 9 Online Hathway Private Limited	Joint Venture	0.17	0.29
Interest on Loans	Hathway Digital Limited	Wholly Owned Subsidiary	-	6.14
	Hathway Kokan Crystal Cable Network Limited	Other – Subsidiary	0.12	-
	Hathway Mysore Cable Network Limited	Step Down Subsidiary	0.12	-
	Hathway Software Developers Limited	Step Down Subsidiary	0.09	-
	Others	Other – Subsidiaries	-	0.36
	Others	Joint Ventures	0.00	0.16
	Others	Joint Ventures	0.00	0.16
Sales of Parts and Accessories	Hathway Digital Limited	Wholly Owned Subsidiary	-	0.00*
Dividend Income	GTPL Hathway Limited	Associate	12.59	4.20
Business Support Services (Income)	Hathway Digital Limited	Wholly Owned Subsidiary	0.03	-
	Others	Step Down Subsidiary	0.06	-
	Others	Wholly Owned Subsidiary	0.01	-
	Others	Other – Subsidiaries	0.02	-
	Others	Joint Ventures	0.04	-
	Others	Joint Ventures	0.04	-
Rent Income	Den Networks Limited	Fellow Subsidiary	0.17	-
	Others	Wholly Owned Subsidiaries	0.01	-
Profit on Sale of non-trade Investments (Under exceptional Item)	Others	Step Down Subsidiary	0.02	-

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	2020-21	2019-20
<b>Expenses</b>				
Interest on Loans	Hathway Broadband Limited	Step Down Subsidiary	-	0.12
Rent Offices	Akshay R Raheja	Key Management Personnel	0.37	0.43
	Viren R Raheja	Key Management Personnel	0.37	0.43
	Other	Fellow Subsidiary	0.04	-
Purchase of Parts and Accessories	Hathway Digital Limited	Wholly Owned Subsidiary	0.39	-
	Den Broadband Private Limited	Fellow Subsidiary	0.21	-
	Jio Haptik Technologies Limited	Fellow Subsidiary	0.08	-
Contribution to Gratuity Fund	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme	Trust	-	0.13
Loss on Sale of non-trade Investments (Under Exceptional Item)	Hathway Palampur Cable Network Private Limited	Joint Venture	-	0.22
Business Support Expense	Reliance Industries Limited	Entities exercising control	0.01	0.01
	Hathway Digital Limited	Wholly Owned Subsidiary	0.01	-
Bandwidth and Lease Line Cost	Reliance Jio Infocomm Limited	Fellow Subsidiary	35.93	33.10
Internet Usage Charges	Reliance Jio Infocomm Limited	Fellow Subsidiary	0.01	-
Service Charges (Expense)	Jio Haptik Technologies Limited	Fellow Subsidiary	0.06	-
Software Charges	Jio Haptik Technologies Limited	Fellow Subsidiary	0.10	-
Advances Written Off	Hathway Mysore Cable Network Limited	Step Down Subsidiary	4.58	-
	Hathway Software Developers Limited	Step Down Subsidiary	3.02	-
	UTN Cable Communications Limited	Step Down Subsidiary	6.11	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	2.00
	Others	Joint Ventures	0.20	-
<b>Nature of Transactions</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>2020-21</b>	<b>2019-20</b>
Acquisition of Capital assets	Hathway Digital Limited	Wholly Owned Subsidiary	-	1.30

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	2020-21	2019-20
<b>Change in Assets / Liabilities during the year</b>				
Impairment in Value of Investments made during the year	Hathway Palampur City Cable Network Private Limited	Joint Venture	-	0.68
Allowance for bad and doubtful loans made during the year	Hathway C-Net Limited	Step Down Subsidiary	(0.42)	-
	ITV Interactive Media Limited	Step Down Subsidiary	(0.29)	-
	Hathway Digital Saharanpur Cable & Datacom Limited	Step Down Subsidiary	(1.04)	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	(2.00)
	Hathway Media Vision Limited	Step Down Subsidiary	-	(0.31)
	Others	Step Down Subsidiary	(0.10)	(0.15)
	Others	Joint Venture	0.24	-
Allowance for Investments (Net) / Reversal of Allowances	Hathway New Concept Cable & Datacom Limited	Step Down Subsidiary	4.03	-
	Ideal Cables Limited	Step Down Subsidiary	2.22	-
	Hathway Media Vision Limited	Step Down Subsidiary	5.92	-
	Others	Step Down Subsidiary	2.57	-
	Others	Joint Ventures	0.68	-
Net Advances/Trade Receivables/ Trade Payables Made During the Year	Hathway Kokan Crystal Cable Network Limited	Other – Subsidiary	0.11	-
	Den Networks Limited	Fellow Subsidiary	0.09	-
	Hathway Mysore Cable Network Limited	Step Down Subsidiary	-	0.04
	Hathway Software Developers Limited	Step Down Subsidiary	-	0.03
	Hathway Krishna Cable Limited	Step Down Subsidiary	-	0.10
	Hathway Broadband Limited	Step Down Subsidiary	-	0.43
	Hathway Digital Limited	Wholly Owned Subsidiary	0.64	-
	Others	Joint Ventures	0.01	0.02
	Others	Wholly Owned Subsidiary	0.01	0.04
	Others	Joint Venture of Fellow Subsidiaries	-	0.01

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	2020-21	2019-20
Net Advances/Trade Receivables/ Trade Payables Recovered/ Paid During the Year	Reliance Jio Infocomm Limited	Fellow Subsidiary	5.54	10.67
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	2.00
	Hathway Bhawani Cabletel & Datacom Limited	Other – Subsidiary	0.25	0.10
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	0.15	-
	Net 9 Online Hathway Private Limited	Joint Venture	0.13	-
	Hathway Software Developers Limited	Step Down Subsidiary	0.15	-
	GTPL Hathway Limited	Associate	-	6.50
	Hathway SS Cable & Datacom LLP	Joint Venture	0.61	0.14
	Hathway Cable MCN Nanded Private Limited	Joint Venture	-	0.02
	Others	Step Down Subsidiary	0.07	0.06
	Others	Joint Ventures	-	1.27
Loan repaid	Hathway Broadband Limited	Step Down Subsidiary	-	2.40
Receipt of repayment of Loan	Hathway Digital Limited	Wholly Owned Subsidiary	-	61.99
Investment made during the year	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	-	0.70
	Hathway Digital Limited	Wholly Owned Subsidiary	2,800.00	
	Others	Step Down Subsidiary	0.25	
Investment sold / redeemed during the year	Hathway Digital Limited	Wholly Owned Subsidiary	1,000.00	-
	Hathway Krishna Cables Limited	Step Down Subsidiary	15.41	
	Hathway Software Developers Limited	Step Down Subsidiary	9.53	-
	Hathway Mysore Cable Network Limited	Step Down Subsidiary	10.09	-
	UTN Cable Communications Limited	Step Down Subsidiary	-	-
	Hathway New Concept Cable & Datacom Limited	Step Down Subsidiary	7.26	-
	Others	Step Down Subsidiary	18.41	-
	Others	Joint Ventures	2.68	-

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature	Name of the Party	Relationship	As at March 31, 2021	As at March 31, 2020
<b>Closing Balances</b>				
Investments	Hathway Digital Limited	Wholly Owned Subsidiary	2,232.68	493.97
	GTPL Hathway Limited	Associate	168.75	168.75
	Others	Wholly Owned Subsidiary	2.10	82.31
	Others	Other – Subsidiary	9.22	-
	Others	Associate	0.10	0.10
	Others	Joint Ventures	67.17	70.45
Loans & advances	Hathway Mantra Cable & Datacom Limited	Wholly Owned Subsidiary	7.50	-
	Win Cable & Datacom Limited	Step Down Subsidiary	20.22	20.22
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	13.48	13.48
	Hathway Nashik Cable Network Private Limited	Other – Subsidiary	10.39	10.39
	Others	Wholly Owned Subsidiary	0.64	-
	Others	Other – Subsidiary	3.20	33.95
	Others	Step Down Subsidiary	8.72	-
	Others	Associate	2.90	2.90
	Others	Joint Ventures	1.30	2.69
	Others	Trust	-	0.01
	Hathway Media Vision Limited	Step Down Subsidiary	-	5.92
	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture	6.28	6.28
Impairment in Value of Investments	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	16.68	16.68
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	16.38	16.37
	Others	Other – Subsidiary	2.75	11.10
	Others	Associate	0.10	0.10
	Others	Joint Ventures	4.86	6.02

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature	Name of the Party	Relationship	As at March 31, 2021	As at March 31, 2020
Allowance for bad and doubtful loans	Hathway Nashik Cable Network Private Limited	Other – Subsidiary	10.39	10.39
	Win Cable & Datacom Limited	Step Down Subsidiary	20.22	20.22
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	13.45	13.45
	Others	Step Down Subsidiary	8.72	11.53
	Others	Other – Subsidiary	2.00	-
	Others	Associate	2.50	2.50
	Others	Joint Ventures	0.62	1.42
Other Financial Liabilities	Hathway SS Cable & Datacom LLP	Joint Venture	2.33	2.94
Trade Payable	Reliance Jio Infocomm Limited	Fellow Subsidiary	5.13	10.67
	Others	Fellow Subsidiaries	0.15	-
Trade Receivables	Hathway Bhawani Cabletel & Datacom Limited	Other – Subsidiary	-	0.25
	Den Networks Limited	Fellow Subsidiary	0.09	-
	Hathway Kokan Crystal Cable Network Limited	Other – Subsidiary	-	0.11
	Net 9 Online Hathway Private Limited	Joint Venture	-	0.28
	Others	Wholly Owned Subsidiary	0.01	0.07
	Others	Joint Ventures	(0.00)	0.04

\* Amount less than ₹ 50,000

The Company had invested in 5% Non cumulative Redeemable Preference shares issued by Hathway Digital Limited aggregating to ₹ 0.05 (March 31, 2020: ₹ 0.05). The Company has given Corporate financial Guarantees of ₹ 20.00 (March 31, 2020: ₹ 20.00) on behalf of GTPL Hathway Limited, Nil (March 31, 2020: ₹ 1,038.94) on behalf of Hathway Digital Limited. The Company has given Letter of Comfort of ₹ NIL (March 31, 2020: ₹ 7.46) to Banks towards various credit facilities extended by them to GTPL Hathway Limited.

# Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 4.14 Supplementary statutory information required to be given pursuant to Schedule V of regulation 34(3) and 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

### Loans And Advances In The Nature of Loans To Subsidiaries, Joint Ventures And Associates

Name of Related Party	As at March 31, 2021			As at March 31, 2020		
	Subsidiaries/ Step Down Subsidiaries	Associates and Joint Ventures	Maximum Amount Outstanding During The Year	Subsidiaries	Associates and Joint Ventures	Maximum Amount Outstanding During The Year
Hathway Mysore Cable Network Limited @	-	-	4.53	4.53	-	4.53
Hathway Software Developers Limited @	-	-	3.08	3.08	-	3.08
Hathway Media Vision Limited @	1.64	-	1.64	1.64	-	1.64
UTN Cable Communications Limited @	-	-	6.11	6.11	-	6.11
Hathway ICE Television Private Limited	-	0.68	0.68	-	0.68	0.68
GTPL Hathway Limited	-	2.90	2.90	-	2.90	9.40
Net 9 Online Hathway Private Limited	-	-	0.20	-	0.20	0.20
Hathway Sonali Om Crystal Cable Private Limited	-	13.48	15.48	-	13.48	15.48
Hathway Gwalior Cable & Datacom Limited @	0.46	-	0.51	0.51	-	0.51
Hathway Enjoy Cable Network Limited @	0.00*	-	0.00*	0.00*	-	0.00*
Hathway Digital Saharanpur Cable & Datacom Limited @	-	-	1.04	-	1.04	1.04
Hathway JMD Farukhabad Cable Network Limited @	0.00*	-	0.00*	0.00*	-	0.00*
Hathway Dattatray Cable Network Private Limited	-	-	-	-	-	0.14
Hathway Mantra Cable & Datacom Limited	7.50	-	7.50	7.50	-	7.50
Hathway Digital Limited	0.64	-	0.64	-	-	61.99
Hathway Prime Cable & Datacom Private Limited	-	0.02	0.02	-	0.02	0.02
Hathway Kokan Crystal Cable Network Limited	1.20	-	1.20	1.20	-	1.21
Bee Network and Communication Limited @	0.37	-	0.37	0.37	-	0.37
Binary Technology Transfers Limited @	1.60	-	1.63	1.63	-	1.63
Chennai Cable Vision Network Private Limited	1.97	-	1.97	1.97	-	1.97
Channels India Network Private Limited	0.01	-	0.01	0.01	-	0.01
Elite Cable Network Private Limited	0.02	-	0.02	0.02	-	0.02
Hathway CNet Limited @	0.03	-	0.45	0.45	-	0.45
Hathway Internet & Satellite Limited @	1.62	-	1.63	1.63	-	1.63
Hathway Nashik Cable Network Private Limited	10.39	-	10.39	10.39	-	10.39
Hathway Space Vision Cabletel Limited @	1.04	-	1.04	1.04	-	1.04

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Name of Related Party	As at March 31, 2021			As at March 31, 2020		
	Subsidiaries/ Step Down Subsidiaries	Associates and Joint Ventures	Maximum Amount Outstanding During The Year	Subsidiaries	Associates and Joint Ventures	Maximum Amount Outstanding During The Year
Ideal Cables Limited	0.41	-	0.41	0.41	-	0.41
ITV Interactive Media Limited @	0.16	-	0.45	0.45	-	0.45
Liberty Media Vision Limited @	1.17	-	1.17	1.17	-	1.17
Vision India Network Limited	0.22	-	0.22	0.22	-	0.22
Win Cable & Datacom Limited @	20.22	-	20.22	20.22	-	20.22
Hathway Sai Star Cable & Datacom Private Limited	-	0.38	0.54	-	0.54	1.40
Hathway SS Cable & Datacom - LLP	-	0.21	0.21	-	0.21	0.21

\* Amount less than ₹ 50,000

@ Refer Note 4.13

**Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.**

- None of the loanee has made, per se, investment in the shares of the Company.
- Investment made by Hathway Media Vision Limited in Hathway Bhawani Cabletel & Datacom Limited - 21,60,000 equity shares of ₹ 2.46.
- Investment made by Hathway New Concept Cable & Datacom Limited in Hathway Media Vision Limited - 2,000 preference shares of ₹ 0.00\*
- Investment made by Hathway New Concept Cable & Datacom Limited in Win Cable & Datacom Limited - 5,000 preference shares. of ₹ 0.01

\* Amount less than ₹ 50,000

**4.15** The Operation of the Company are classified as 'infrastructure facilities' as defined under Schedule VI of the Act. Accordingly the disclosure requirements specified in sub section 4 of section 186 of the Act in respect of loan given or guarantee given or security provided and the related disclosure on purposes/ utilization by recipient companies, are not applicable to the Company except details of Investment made during the year as per section 186(4) of the Act.

### Financial Year 2020-21

The Company has made Investment in following body corporate during the year:

Hathway Digital Saharanpur Cable & Datacom Ltd. - 9,800 Equity Shares amounting to ₹ 0.25

Hathway Digital Limited - 180,00,00,000 0.01 % Non-Cumulative Optionally Convertible Preference Shares amounting to ₹ 1,800.

Hathway Digital Limited - 100,00,00,000 Zero Coupon Optionally Fully Convertible Debentures amounting to ₹ 1,000 (these are fully redeemed during the year).

### Financial Year 2019-20

During the financial year 2019-20, The Company has made Investment in following body corporate during the year:

Hathway Sai Star Cable & Datacom Private Limited - 13,610 Equity Shares amounting to ₹ 0.70

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### 4.16 Revenue from contracts with customers

#### Disaggregation Of Revenue

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. The nature, amount, timing and uncertainty of revenue and cash flows are similar across company's revenue from contracts with customers. Accordingly, there is no disaggregation of revenue disclosed.

#### Contract Balances

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

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

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

Particulars	March 31, 2021	March 31, 2020
Receivables, which are included in 'Trade and other receivables'	1.11	0.21
Contract assets (Unbilled Revenue)	-	-
Contract liabilities (Unearned Revenue)	74.25	76.01

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

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

Currency	March 31, 2021		March 31, 2020	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Balance at the beginning of the year	-	76.01	-	72.42
Add: Advance Income received from the customer during the year	-	74.25	-	76.01
Revenue recognised that is included in the contract liability balance at the beginning of the year	-	76.01	-	72.42
Balance at the end of the year	-	74.25	-	76.01

#### Performance Obligations and Remaining Performance Obligations

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

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

#### Contract costs

The Company incurred cost of ₹ 39.22 (March 31, 2020: ₹ 36.94) as a result of obtaining customers. The Company has therefore capitalised them as customer acquisition cost.

Customer acquisition cost are amortised over a period of five years.

# Notes

## to the Standalone Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### 4.17 Corporate Social Responsibility

- As per section 135 of the Companies Act, 2013, gross amount required to be spent by the Company during the year 2020-21 was ₹ 1.16 (Mar 31, 2020: Nil).
- Amount approved by the Board to be spent during the year 2020-21: ₹ 1.16 (Mar 31, 2020: Nil).
- Details of amount spent by the Company are as follows:

Particulars	March 31, 2021	March 31, 2020
Construction/acquisition of any asset	-	NA
On purposes other than above	1.16	NA
<b>Total</b>	<b>1.16</b>	<b>NA</b>

### 4.18 Withdrawal of Scheme of Amalgamation:

The Board at its meeting held on February 17, 2020, had approved the Composite Scheme of Amalgamation and Arrangement between the Company, Den Networks Limited, TV18 Broadcast Limited, Network18 Media & Investments Limited, Media18 Distribution Services Limited, Web18 Digital Services Limited and Digital18 Media Limited and their respective Shareholders and Creditors ("Composite Scheme").

In accordance with the provisions of Regulation 37 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Composite Scheme was filed with both BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") for obtaining no-objection letter from them.

The stock exchanges had returned the Scheme stating that the Company may apply to the stock exchanges once the Scheme is in compliance with SEBI circulars / SEBI Regulations relating to Minimum Public Shareholding ("MPS") requirement.

Considering that more than a year has passed from the time the Board considered the Scheme, the Board of the Company has decided not to proceed with the arrangement envisaged in the Scheme.

- The Company has exposure by way of investments and receivables in case of certain subsidiaries and joint ventures aggregating to ₹ 17.95 (net of provision) as at March 31, 2021. The net worth of such subsidiaries and joint ventures have been fully / substantially eroded. However, most of these companies have demonstrated profitability in their operations for the year ended March 31, 2021. Based on the projections, management of the Company expects that these companies will continue to have positive cash flow to adequately sustain their operations in foreseeable future and therefore, no further provision for impairment in investment and receivable is considered necessary.

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

As per our report of even date  
**For Nayan Parikh & Co**  
Chartered Accountants  
Firm's Registration No: 107023W

**K.Y. Narayana**  
Partner  
Membership No: 060639

**Sitendu Nagchaudhuri**  
Chief Financial Officer

**Ajay Singh**  
Head Corporate Legal, Company  
Secretary & Chief Compliance Officer  
Membership No: F - 5189

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

**Rajan Gupta** | Managing Director

**Saurabh Sancheti**  
**Anuj Jain**  
**Geeta Fulwadaya**  
**Akshay Raheja**  
**Viren Raheja** | Non-Executive Director

**Sridhar Gorthi** | Chairman and Independent Director

**Sasha Mirchandani**  
**Ameeta Parpia** | Independent Director

Place: Mumbai  
Date: April 28, 2021

Date: April 28, 2021

# Independent Auditor's Report

To the Members of Hathway Cable and Datacom Limited

## Report on the audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **Hathway Cable and Datacom Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and its associates comprising of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on standalone / consolidated financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2021, its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on standalone financial statements/ consolidated financial statements and on the other financial information of the subsidiaries, joint ventures and associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How our audit addressed the Key Audit Matters
1.	<p><b>Valuation and Disclosure of Deferred Tax Assets</b></p> <p>The Group has a significant amount of deferred tax assets, mainly resulting from unused tax losses and unabsorbed depreciation allowance. The accounting for deferred tax assets is significant to our audit since the Group makes judgements and estimates of forecasted taxable income in relation to the realization of deferred tax assets.</p> <p>As at March 31, 2021, the deferred tax assets are valued at ₹ 412.29 crores. Further reference is made to Note 2.06</p>	<p>Our procedures included, amongst others:</p> <p>We tested Group's assumptions used to determine that there is a reasonable certainty that deferred tax assets recognized in the balance sheet will be realized. This is based upon forecasted taxable income and the periods when the deferred tax assets can be utilized. The forecasts were evaluated by us considering the performance of the Group and related business plans approved by the Management. Such evaluation included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies.</p> <p>Our audit procedure also included obtaining representation from the management and auditor of the material subsidiary with particular focus on those related to calculation and recognition of deferred tax asset.</p> <p>We also assessed the adequacy of the Group's disclosures included in Note 2.06</p>

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

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

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

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

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its joint ventures and associates in accordance with Ind AS and other accounting principles generally accepted in India. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of these consolidated financial statements. The respective Governing Bodies of the companies included in the Group and of its joint ventures and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether

due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its joint ventures and associates are responsible for overseeing the financial reporting process of the Group and of its joint ventures and associates.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our

opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures and associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures and associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures and associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matters" paragraph below.

We believe that the audit evidence obtained by us along with the consideration of the audit report of the other auditors referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Other Matters

- We did not audit (a) the audited consolidated financial statements of one subsidiary, whose audited consolidated financial statements reflect total assets of ₹ 1,911.10 crores as at March 31, 2021, total revenues of ₹ 1,087.13 crores, Group's share of total net profit after tax of ₹ 62.34 crores and total comprehensive income of ₹ 62.51 crores and net cash inflows amounting to ₹ 29.23 crores for the year ended on that date, as considered in the consolidated financial statements; (b) the audited consolidated financial statements of one associate, whose consolidated financial statements include the Group's share of net profit after tax of ₹ 70.20 crores and total comprehensive income of ₹ 70.34 crores for the year ended March 31, 2021; (c) the audited standalone financial statements of six subsidiaries, whose standalone financial statements

reflect total assets of ₹ 9.91 crore as at March 31, 2021, total revenues of ₹ 17.78 crore, Group's share of total net profit after tax of ₹ 1.03 crore and total comprehensive income of ₹ 1.10 crores and net cash outflows amounting to ₹ 0.38 crores for the year ended on that date, as considered in the consolidated financial statements; and (d) the audited standalone financial statements of nine joint ventures and one associate, whose standalone financial statements include the Group's share of net profit after tax of ₹ 3.04 crores and total comprehensive income of ₹ 3.04 crores for year ended March 31, 2021. These financial statements and other financial information have been audited by their respective independent auditors whose reports have been furnished to us by the Management of the Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on the reports of such auditors.

- (ii) Apart from above, as stated in Note 4.17 of the consolidated financial statements, the consolidated financial statements also include the Group's share of net profit/ (loss) after tax of ₹ (0.11) crores and ₹ (0.19) crores and total comprehensive income/ (loss) of ₹ (0.11) crores and ₹ (0.19) crores for the quarter ended March 31, 2021 and for the year ended March 31, 2021, respectively, as considered in the Statement, in respect of one joint venture and one associate. The standalone financial statements and financial information of the joint venture and associate have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, so far as it relates to the amounts and disclosure included in respect of this joint venture and associate is based solely on such unaudited standalone financial statements/ financial information. According to the information and explanations given to us by the Management of the Holding Company, such standalone financial statements of the joint venture and associate is not material to the Group.

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

## Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, joint ventures and associates incorporated in India, none of the directors of the Group, its joint ventures and associates incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, joint ventures and associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors of subsidiaries, joint ventures and associates, as noted in the Other matters paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated

financial position of the Group, its joint ventures and associates. Refer Note 4.03(m) and 4.10 to the consolidated financial statements;

- ii. The Group, its joint ventures and associates have 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 4.03(n) to the consolidated financial statements ; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group, its joint ventures and associates.

**For Nayan Parikh & Co.**

Chartered Accountants

Firm Registration No. 107023W

**K.Y. Narayana**

Partner

Membership No. 060639

UDIN: 21060639AAAAGK8971

Place: Mumbai

Dated this 28<sup>th</sup> day of April, 2021

# Annexure A to the Independent Auditor's Report

**Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report on even date to the members of Hathway Cable and Datacom Limited ("the Holding Company) on the consolidated financial statements for the year ended March 31, 2021:**

## **Opinion**

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of **Hathway Cable and Datacom Limited (hereinafter referred to as 'the Holding Company')** and its subsidiaries, its joint ventures and associates, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company, its subsidiaries, its joint ventures and associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021 based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

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

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

## **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statement of the Holding Company, its subsidiaries, joint ventures and associates, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to

an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements, in so far as it relates to standalone financial statements of 6 subsidiaries, consolidated financial statements of 1 subsidiary, consolidated financial statements of 1 associate, standalone financial statements of 9 joint ventures and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For Nayan Parikh & Co.**

Chartered Accountants

Firm Registration No. 107023W

**K.Y. Narayana**

Partner

Membership No. 060639

UDIN: 21060639AAAAGK8971

Place: Mumbai

Dated this 28<sup>th</sup> day of April, 2021

# Consolidated Balance Sheet

as at March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	2.01	1,360.07	1,359.65
Capital work in progress		81.72	81.11
Goodwill	2.02	92.21	92.20
Other Intangible assets	2.02	149.34	119.29
Investment accounted using equity method	4.10	720.42	665.84
<b>Financial Assets</b>			
Investments	2.03	3.24	3.24
Loans	2.04	11.56	20.50
Other financial assets	2.05	4.84	4.55
Deferred tax assets (net)	2.06	412.29	436.83
Other Non-current assets	2.07	143.73	115.24
<b>Total Non-current assets</b>		<b>2,979.42</b>	<b>2,898.45</b>
<b>Current assets</b>			
Inventories	2.08	5.60	13.98
<b>Financial Assets</b>			
Investments	2.09	1,071.36	34.10
Trade receivables	2.10	5.52	29.33
Cash and cash equivalents	2.11	75.07	1,080.00
Bank balances other than Cash and cash equivalents	2.12	255.55	2,009.50
Loans	2.04	16.00	12.52
Other financial assets	2.05	22.65	151.43
Current Tax Assets (Net)	2.13	1.91	45.03
Other current assets	2.07	86.00	97.11
<b>Total Current assets</b>		<b>1,539.66</b>	<b>3,473.00</b>
<b>Total Assets</b>		<b>4,519.08</b>	<b>6,371.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	2.14	354.02	354.02
Other Equity	2.15	3,642.49	3,389.13
<b>Equity attributable to owners of the Company</b>		<b>3,996.51</b>	<b>3,743.15</b>
Non - controlling interests		1.43	0.90
<b>Total Equity</b>		<b>3,997.94</b>	<b>3,744.05</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	2.16	-	44.10
Other financial liabilities	2.17	14.15	14.73
Provisions	2.18	4.79	3.91
Other Non-current liabilities	2.19	10.98	38.25
<b>Total Non-current liabilities</b>		<b>29.92</b>	<b>100.99</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	2.16	0.00*	1,911.82
Trade payables			
Total outstanding dues:			
- Micro enterprises and small enterprises		0.08	-
- Other		213.20	231.06
Other financial liabilities	2.17		
Total outstanding dues:			
- Micro enterprises and small enterprises		12.90	0.25
- Other		93.20	164.96
Other current liabilities	2.19	171.42	217.96
Provisions	2.18	0.41	0.36
Current Tax Liabilities (Net)	2.20	0.01	-
<b>Total current liabilities</b>		<b>491.22</b>	<b>2,526.41</b>
<b>Total Equity and Liabilities</b>		<b>4,519.08</b>	<b>6,371.45</b>
<b>Summary of Significant Accounting Policies</b>	1		

The accompanying notes are an integral part of the financial statements.

\* Amount less than ₹ 50,000/-

As per our report of even date

For Nayan Parikh & Co.

Chartered Accountants

Firm's Registration No: 107023W

K.Y. Narayana

Partner

Membership No: 060639

Sitendu Nagchaudhuri

Chief Financial Officer

Ajay Singh

Head Corporate Legal, Company

Secretary & Chief Compliance Officer

Membership No: F - 5189

For and on behalf of the Board

Rajan Gupta

Managing Director

Saurabh Sancheti

Anuj Jain

Geeta Fulwadaya

Akshay Raheja

Viren Raheja

Non-Executive Director

Sridhar Gorthi

Chairman and Independent Director

Sasha Mirchandani

Ameeta Parpia

Independent Director

Place: Mumbai

Date: April 28, 2021

Date: April 28, 2021

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
<b>INCOME</b>			
Revenue From Operations	3.01	1,731.77	1,798.39
Other Income	3.02	142.45	245.75
<b>Total Income</b>		<b>1,874.22</b>	<b>2,044.14</b>
<b>EXPENSES</b>			
Pay channel cost		559.37	560.56
Other operational expenses	3.03	304.38	306.62
Employee benefits expense	3.04	97.95	94.79
Finance costs	3.05	37.48	226.37
Depreciation, Amortization & Impairment	3.06	371.18	371.10
Other expenses	3.07	294.93	401.09
<b>Total Expenses</b>		<b>1,665.29</b>	<b>1,960.53</b>
<b>Profit before share of profit of associates / joint ventures and exceptional items</b>		<b>208.93</b>	<b>83.61</b>
Share of net profit of associates and joint ventures accounted for using the equity method		74.93	32.65
<b>Profit before exceptional items and tax</b>		<b>283.86</b>	<b>116.26</b>
Exceptional items	3.08	5.25	6.69
<b>Profit before tax</b>		<b>278.61</b>	<b>109.57</b>
Tax expenses :	3.09		
Current tax		0.81	0.12
Deferred tax		24.55	3.98
<b>Profit for the Period</b>		<b>253.25</b>	<b>105.47</b>
<b>Other comprehensive income / (loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Share of Other Comprehensive income /(loss) of associates and joint ventures accounted for using the equity method		0.17	(0.34)
Remeasurements of the post employment benefit obligations		0.48	0.26
Income tax relating to these items		(0.03)	0.06
<b>Total other comprehensive income / (losses)</b>		<b>0.62</b>	<b>(0.02)</b>
<b>Total other comprehensive income for the Year</b>		<b>253.87</b>	<b>105.45</b>
<b>Profit for the Year attributable to:</b>			
Owners of the Parent		252.73	103.73
Non-controlling interests		0.52	1.74
		<b>253.25</b>	<b>105.47</b>
<b>Other comprehensive income / (loss) for the Year attributable to:</b>			
Owners of the Parent		0.62	(0.01)
Non-controlling interests		(0.00)	(0.01)
		<b>0.62</b>	<b>(0.02)</b>
<b>Total comprehensive income for the Year attributable to:</b>			
Owners of the Parent		253.35	103.72
Non-controlling interests		0.52	1.73
		<b>253.87</b>	<b>105.45</b>
<b>Earnings per equity share (Face value of ₹ 2/- each) (Refer Note 4.01) :</b>			
Basic and diluted (in ₹)		1.43	0.59
<b>Summary of Significant Accounting Policies</b>	1		

The accompanying notes are an integral part of the financial statements.

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

**K.Y. Narayana**  
 Partner  
 Membership No: 060639

**Sitendu Nagchaudhuri**  
 Chief Financial Officer

**Ajay Singh**  
 Head Corporate Legal, Company  
 Secretary & Chief Compliance Officer  
 Membership No: F - 5189

**For and on behalf of the Board**

**Rajan Gupta**

Managing Director

**Saurabh Sancheti**  
**Anuj Jain**  
**Geeta Fulwadaya**  
**Akshay Raheja**  
**Viren Raheja**

Non-Executive Director

**Sridhar Gorthi**

Chairman and Independent Director

**Sasha Mirchandani**  
**Ameeta Parpia**

Independent Director

Place: Mumbai  
 Date: April 28, 2021

Date: April 28, 2021

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

## A. Equity Share Capital

(₹ in crores unless otherwise stated)

Particulars	Note No.	Amount
Balance at April 01, 2019	2.14	354.02
Changes in Equity Share Capital during the year		-
Balance at March 31, 2020	2.14	354.02
Changes in Equity Share Capital during the year		-
Balance at March 31, 2021	2.14	354.02

## B. Other Equity

Particulars	Reserves and Surplus			Amount attributable to Owners of the parent	Non controlling interests (NCI)	Total
	Capital Reserve	Securities Premium Account	Retained earnings			
Balance at April 01, 2019	0.10	4,725.79	(1,440.40)	3,285.49	(0.84)	3,284.65
Profit for the year	-	-	103.73	103.73	1.74	105.47
Other comprehensive income						
Remeasurements of the defined benefit plans	-	-	0.26	0.26	(0.01)	0.25
Income tax relating to items that will not be reclassified to profit or (loss)	-	-	0.06	0.06	-	0.06
Share of other comprehensive income/(loss) of Joint ventures and Associates	-	-	(0.34)	(0.34)	-	(0.34)
Impact on account of adoption of Ind AS 116			(0.07)	(0.07)		(0.07)
Total comprehensive income for the year	-	-	103.64	103.64	1.73	105.38
Balance at March 31, 2020	0.10	4,725.79	(1,336.76)	3,389.13	0.90	3,390.03
Profit for the period	-	-	252.73	252.73	0.52	253.25
Other comprehensive income						
Remeasurements of the defined benefit plans	-	-	0.48	0.48	(0.00)	0.48
Income tax relating to items that will not be reclassified to profit or (loss)	-	-	(0.03)	(0.03)	-	(0.03)
Share of other comprehensive income/(loss) of Joint ventures and Associates	-	-	0.17	0.17	-	0.17
Total comprehensive income for the period	-	-	253.35	253.35	0.52	253.87
Balance at March 31, 2021	0.10	4,725.79	(1,083.41)	3,642.49	1.43	3,643.91

## Summary of Significant Accounting Policies (Refer Note 1)

The accompanying notes are an integral part of the financial statements.

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

**K.Y. Narayana**  
Partner  
Membership No: 060639

**Sitendu Nagchaudhuri**  
Chief Financial Officer

**Ajay Singh**  
Head Corporate Legal, Company  
Secretary & Chief Compliance Officer  
Membership No: F - 5189

## For and on behalf of the Board

**Rajan Gupta** | Managing Director

**Saurabh Sancheti**  
**Anuj Jain**  
**Geeta Fulwadaya**  
**Akshay Raheja**  
**Viren Raheja** | Non-Executive Director

**Sridhar Gorthi** | Chairman and Independent Director

**Sasha Mirchandani**  
**Ameeta Parpia** | Independent Director

Place: Mumbai  
Date: April 28, 2021

Date: April 28, 2021

# Consolidated Statement of Cash Flow

for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Cash flow from operating activities</b>		
<b>Profit before Tax</b>	<b>278.61</b>	<b>109.57</b>
Depreciation, amortization and impairment	371.18	371.10
Impairment of trade/loan receivables	10.36	91.33
Share of net profit of associates and joint ventures accounted for using the equity method	(74.93)	(32.65)
Amount no longer payable written back	(4.68)	(0.74)
Sundry advances written off	0.87	-
Goodwill Written off	0.01	-
Unrealised foreign exchange loss / (gain)	(3.18)	5.52
Unwinding of interest	(0.05)	(0.48)
Net Loss on disposal of property, plant and equipment	15.93	8.35
Net gain on financial assets measured at fair value through profit or loss	(79.44)	(53.76)
MTM (Gain)/Losses on Swap	-	(0.57)
Income from Investments	(47.43)	(186.27)
Interest and finance charges	37.48	226.37
Exceptional Items (Refer Note no 3.08)	5.25	6.69
	<b>509.98</b>	<b>544.47</b>
<b>Change in operating assets and liabilities:</b>		
Decrease/(increase) in trade receivables	18.35	1.69
Decrease/(increase) in inventories	8.16	0.99
Increase/(decrease) in trade payables	(13.96)	(27.52)
Decrease/(increase) in other financial assets	6.77	(9.94)
Decrease/(increase) in other non-current assets	(36.41)	(2.32)
Decrease/(increase) in other current assets	11.11	(0.80)
Increase/(decrease) in provisions	0.92	(0.44)
Increase/(decrease) in other liabilities	(73.82)	(29.61)
(Increase)/decrease in Loans & Advances (Net)	5.46	7.58
Increase/(decrease) in other financial liabilities	(2.97)	(19.10)
<b>Cash generated from operations</b>	<b>433.59</b>	<b>464.99</b>
Income taxes refund / (paid)	33.71	(25.07)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>467.30</b>	<b>439.92</b>
<b>Cash flow from investing activities</b>		
Payments for acquisition of property, plant and equipment	(439.42)	(369.37)
Proceeds from sale of property, plant and equipment	2.45	1.29
Dividend from Associates	12.59	4.20
Payments for purchase of investments	(5,763.90)	(1,334.29)
Proceeds from sale of investments in Joint Ventures	1.07	-
Proceeds from sale of investments	4,806.08	4,349.60
Investment in Joint Venture	(0.26)	(0.70)
Fixed Deposit made during the year	(2,250.44)	(2,603.70)
Fixed Deposit redeemed during the year	4,004.11	688.59
Income from investments	169.44	56.83
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>541.72</b>	<b>792.45</b>
<b>Cash flows from financing activities</b>		
Repayments of Non current borrowings	(63.16)	(1,857.35)
Net Proceeds/(Repayments) of current borrowings	(1,899.99)	1,824.46
Payment of lease liabilities	(1.98)	(2.73)
Interest and finance charges	(37.50)	(208.15)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(2,002.63)</b>	<b>(243.77)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(993.61)</b>	<b>988.59</b>
Cash and cash equivalents at the beginning of the year	1,080.07	81.93
Bank overdraft at the beginning of the year	(11.83)	(2.28)
Cash and cash equivalents of Joint Venture which became subsidiary during the year	0.51	-
<b>Cash and cash equivalents at the end of the year</b>	<b>75.14</b>	<b>1,068.24</b>

# Consolidated Statement of Cash Flow

for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
<b>Cash and cash equivalents</b>		
Balances with banks:		
On current accounts	72.70	31.84
Deposits with original maturity of 3 months or less	0.64	1,046.37
Cheques/drafts on Hand	0.01	0.13
Cash on hand	1.79	1.73
Bank overdrafts	-	(11.83)
<b>Balance as per the cash flow statement :</b>	<b>75.14</b>	<b>1,068.24</b>

Note :

- Above statement has been prepared by using Indirect method as per Ind AS - 7 on Statement of Cash flows.
- Changes in liabilities arising from financing activities :

Particulars	As at March 31, 2020	Net Cash Flows	Non cash changes Foreign Exchange movement (Gain) / Loss	Fair value changes	As at March 31, 2021
Non - current Borrowings (including current maturities of Non-current Borrowings)	62.94	(63.16)	-	0.22	-
Current borrowings	1,899.99	(1,899.99)	-	-	0.00*
<b>Total liabilities from financing activities</b>	<b>1,962.93</b>	<b>(1,963.16)</b>	<b>-</b>	<b>0.22</b>	<b>0.00*</b>

Particulars	As at March 31, 2019	Net Cash Flows	Non cash changes Foreign Exchange movement (Gain) / Loss	Fair value changes	As at March 31, 2020
Non - current Borrowings (including current maturities of Non-current Borrowings)	1,895.25	(1,857.35)	-	25.04	62.94
Current borrowings	75.53	1,824.46	-	-	1,899.99
<b>Total liabilities from financing activities</b>	<b>1,970.78</b>	<b>(32.89)</b>	<b>-</b>	<b>25.04</b>	<b>1,962.93</b>

\* Amount less than ₹ 50,000

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

**K.Y. Narayana**  
 Partner  
 Membership No: 060639

**Sitendu Nagchaudhuri**  
 Chief Financial Officer

**Ajay Singh**  
 Head Corporate Legal, Company  
 Secretary & Chief Compliance Officer  
 Membership No: F - 5189

**For and on behalf of the Board**

**Rajan Gupta** | Managing Director

**Saurabh Sancheti**  
**Anuj Jain**  
**Geeta Fulwadaya**  
**Akshay Raheja**  
**Viren Raheja** | Non-Executive Director

**Sridhar Gorthi** | Chairman and Independent Director

**Sasha Mirchandani**  
**Ameeta Parpia** | Independent Director

Place: Mumbai  
 Date: April 28, 2021

Date: April 28, 2021

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

### BACKGROUND

Hathway Cable and Datacom Limited ("the Company") is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in distribution of internet services through cable and has strategic stake in entities engaged in Cable Television business. Its equity shares are listed on National Stock Exchange of India Limited (NSE) & BSE Limited (BSE) in India.

### AUTHORISATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were authorized for issue in accordance with a resolution of the Board of directors on April 28, 2021.

### 1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these consolidated financial statements. The consolidated financial statements are of the Company and its subsidiaries (collectively, "the Group").

#### 1.01 BASIS OF PREPARATION

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

The consolidated financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") and relevant rules issued thereunder 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 consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- defined benefit plans – plan assets measured at fair value.
- Right of Use assets.

#### 1.02 ROUNDING OF AMOUNTS

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

#### 1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

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

An asset is classified as current if:

- it is expected to be realised or intended to sold or consumed in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realised within twelve months after the reporting period; or
- the 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:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

- (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.

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

### 1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

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

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

#### Key assumptions

- (i) Financial instruments; (Refer Note 4.07)
- (ii) Useful lives of Property, Plant and Equipment and Intangible assets; (Refer Note 1.06 and 1.07)
- (iii) Assets and obligations relating to employee benefits; (Refer Note 4.02)
- (iv) Evaluation of recoverability of deferred tax assets; (Refer Note 2.06) and
- (v) Contingencies (Refer Note 4.03)

### 1.05 PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

#### (i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit and Loss, consolidated statement of changes in equity and balance sheet respectively. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

### (ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

### (iii) Joint Ventures

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

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

### (iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

### (v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity. (Refer Note 4.10)

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or joint venture. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. The amounts previously recognised in other comprehensive income are reclassified to Statement of Profit and Loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to Statement of Profit and Loss where appropriate.

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

## 1.06 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 Group 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) and Access devices 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 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 and Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Group 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 and Internet Access devices 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 ₹ 5,000/- are fully depreciated in the year of capitalisation.

## 1.07 INTANGIBLE ASSETS

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

### Intangible Assets acquired separately

Intangible assets comprises of Cable Television Franchise, Movie and Serial Rights, Bandwidth Rights, Goodwill, Softwares, Network Franchise, Customer acquisition cost and Channel Design. 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.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

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

The 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 amortized over the license period and in absence of such tenor, over five years.
- Movie and Serial Rights are amortized on exploitation over the balance license period in equal installments.
- Channel Design are amortised over the period of five years.
- Network Franchisee are amortized over the period of five to twenty years.
- Customer acquisition costs are amortized over the period of five years.
- Bandwidth Rights are amortized over the period of the underlying agreements.
- Cable television Franchise are amortized over the period of five to twenty years.

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

## 1.08 IMPAIRMENT OF ASSETS

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

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Group'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.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

### 1.09 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.

### 1.10 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 or net realizable value.

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

### 1.11 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.

### 1.12 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Group 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 Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

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

### Amortised Cost:

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

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

### FVTOCI:

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

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

### FVTPL:

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

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

### Impairment of Financial Assets

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

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

### Classification and Subsequent measurement: Financial Liabilities

The Group'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 Group 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 Group neither transfers nor retains substantially all of the risks

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

and rewards of ownership and does not retain control of the financial asset. If the Group 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 Group or the counterparty.

## 1.13 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS:

### Classification as debt or equity:

Debt and equity instruments issued by the Group 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 the Group are recognised at the proceeds received.

## 1.14 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 the Group 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.

## 1.15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Group 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.

## 1.16 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 Group 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 Group pays provident fund contributions to publicly administered provident funds. The Group 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 Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## 1.17 REVENUE RECOGNITION

### (i) Income from Rendering of services and Sale of goods

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

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the group 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 recognize revenues, the Group applies the following five step approach:

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

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

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

The Group presents revenues net of indirect taxes in its Statement of Profit and Loss.

### (ii) Other Operating Income

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

### (iii) Interest Income

Interest income from debt instruments 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 payment is 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.

## 1.18 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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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 Group have a legally enforceable right to set-off assets against liabilities.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

### 1.19 EARNINGS PER SHARE

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.

### 1.20 LEASES

#### As a lessee

The Group, 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.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

The Group 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 Group uses incremental borrowing rate.

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

### 1.21 FOREIGN CURRENCY TRANSLATIONS

#### (i) Functional and presentation currency

The Group's consolidated financial statements are prepared in INR, which is also the Group'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.

### 1.22 SEGMENT REPORTING

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with Profit or Loss in the financial statements.

- a) Segment revenue includes sales and other income directly attributable with allocable to segments including inter-segment revenue.
- b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallowable expenditure.
- c) Income which relates to the Group as a whole and not allocable to segments is included in unallowable income.
- d) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liability represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

### 2.01 PROPERTY, PLANT AND EQUIPMENT :

(₹ in crores unless otherwise stated)

Particulars	Gross Carrying Amount			Accumulated Depreciation / Impairment			Net Carrying Amount	
	As at April 1, 2020	Addition	Disposal	As at March 31, 2021	As at April 1, 2020	For the Year** on disposal	As at March 31, 2021	As at March 31, 2020
<b>Own Assets:</b>								
Plant and Equipment	2,459.90	335.29	49.18	2,746.00	1,126.68	317.89	1,409.06	1,333.22
Furniture & Fixtures	20.88	1.15	0.95	21.08	10.63	1.90	11.84	10.25
Motor Vehicles	2.54	0.02	0.94	1.61	1.66	0.21	0.97	0.88
Office Equipments	5.31	0.44	0.15	5.60	3.98	0.62	4.47	1.33
Computers	12.93	2.17	0.39	14.71	9.67	1.37	10.93	3.26
Air conditioners	7.50	1.48	0.21	8.77	5.02	1.11	5.98	2.48
Structural fittings	3.59	0.06	0.15	3.49	1.76	0.31	1.95	1.83
Electrical Fittings	7.94	0.68	0.82	7.80	3.85	0.74	4.20	4.09
Mobile & Telephone	1.53	0.09	-	1.62	1.07	0.16	1.23	0.46
Movie Master Tapes	0.01	-	-	0.01	-	-	-	0.01
<b>Total (A)</b>	<b>2,522.13</b>	<b>341.37</b>	<b>52.79</b>	<b>2,810.69</b>	<b>1,164.32</b>	<b>324.31</b>	<b>1,450.63</b>	<b>1,357.81</b>
<b>Right of Use assets:</b>								
Building	4.54	-	-	4.54	2.70	1.83	4.53	1.84
<b>Total (B)</b>	<b>4.54</b>	<b>-</b>	<b>-</b>	<b>4.54</b>	<b>2.70</b>	<b>1.83</b>	<b>4.53</b>	<b>1.84</b>
<b>Total (A+B)</b>	<b>2,526.67</b>	<b>341.37</b>	<b>52.79</b>	<b>2,815.23</b>	<b>1,167.02</b>	<b>326.14</b>	<b>1,455.16</b>	<b>1,359.65</b>

Particulars	Gross Carrying Amount			Accumulated Depreciation / Impairment			Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year** on disposal	As at March 31, 2020	As at March 31, 2019
<b>Own Assets:</b>								
Plant and Equipment	2,245.07	247.70	32.87	2,459.90	831.45	322.87	1,126.68	1,413.62
Furniture & Fixtures	20.58	0.30	-	20.88	8.63	2.00	10.63	11.95
Motor Vehicles	2.53	0.01	-	2.54	1.31	0.35	1.66	1.22
Office Equipments	4.85	0.46	-	5.31	3.30	0.68	3.98	1.55
Computers	10.83	2.10	-	12.93	8.47	1.20	9.67	2.36
Air conditioners	6.83	0.67	-	7.50	3.96	1.06	5.02	2.87
Structural fittings	3.51	0.08	-	3.59	1.42	0.34	1.76	2.09
Electrical Fittings	7.68	0.26	-	7.94	3.10	0.75	3.85	4.58
Mobile & Telephone	1.27	0.26	-	1.53	0.86	0.21	1.07	0.41
Movie Master Tapes	0.01	-	-	0.01	-	-	-	0.01
<b>Total (A)</b>	<b>2,303.16</b>	<b>251.84</b>	<b>32.87</b>	<b>2,522.13</b>	<b>862.50</b>	<b>329.45</b>	<b>1,164.32</b>	<b>1,440.65</b>
<b>Right of Use assets:</b>								
Building	-	4.54	-	4.54	-	2.70	2.70	-
<b>Total (B)</b>	<b>-</b>	<b>4.54</b>	<b>-</b>	<b>4.54</b>	<b>-</b>	<b>2.70</b>	<b>2.70</b>	<b>-</b>
<b>Total (A+B)</b>	<b>2,303.16</b>	<b>256.38</b>	<b>32.87</b>	<b>2,526.67</b>	<b>862.50</b>	<b>332.15</b>	<b>1,167.02</b>	<b>1,440.65</b>

\*\* Depreciation for the Year includes Impairment of Plant and Machinery ₹ 83.93 (March 31, 2020 : ₹ 97.74)

Refer note no 4.04 for disclosure of contractual commitments for acquisition of Property, Plant and Equipments.

## to the Consolidated Financial Statements for the year ended March 31, 2021

## 2.02 INTANGIBLE ASSETS:

(₹ in crores unless otherwise stated)

Particulars	Gross Carrying Amount		Accumulated Depreciation / Impairment		Net Carrying Amount	
	As at April 1, 2020	As at Addition Disposal	As at April 1, 2020	For the Elimination on disposal	As at March 31, 2021	As at March 31, 2020
Goodwill (acquired separately)	9.93	0.01	2.12	-	7.82	7.81
Goodwill on Consolidation	84.39	-	-	-	84.39	84.39
Customer Acquisition Cost	73.90	39.22	15.54	19.09	34.63	58.36
Softwares	119.42	19.95	91.74	11.62	103.37	27.68
Bandwidth Rights	21.77	0.02	7.86	1.76	9.62	13.91
Movie & Serial Rights	32.60	15.91	31.83	9.00	40.83	0.77
Network Franchise	6.05	-	2.79	0.42	3.21	3.26
Cable Television Franchise	35.09	0.00	20.06	2.91	22.97	15.03
Channel Design	1.21	-	0.92	0.24	1.16	0.28
<b>Total</b>	<b>384.36</b>	<b>75.11</b>	<b>172.87</b>	<b>45.04</b>	<b>217.91</b>	<b>211.49</b>

Particulars	Gross Carrying Amount		Accumulated Depreciation / Impairment		Net Carrying Amount	
	As at April 1, 2019	As at Addition Disposal	As at April 1, 2019	For the Elimination on disposal	As at March 31, 2020	As at March 31, 2019
Goodwill (acquired separately)	9.93	-	2.12	-	7.81	7.81
Goodwill on Consolidation	84.39	-	-	-	84.39	84.39
Customer Acquisition Cost	36.96	36.94	4.17	11.37	15.54	32.79
Softwares	102.34	17.08	79.07	12.67	91.74	23.27
Bandwidth Rights	21.56	0.21	6.01	1.85	7.86	15.55
Movie & Serial Rights	27.71	4.89	22.83	9.00	31.83	4.89
Network Franchise	6.05	-	2.14	0.65	2.79	3.91
Cable Television Franchise	35.09	-	16.90	3.16	20.06	18.19
Channel Design	1.21	-	0.68	0.24	0.92	0.52
<b>Total</b>	<b>325.24</b>	<b>59.12</b>	<b>133.92</b>	<b>38.95</b>	<b>172.87</b>	<b>191.32</b>

\*\*\* Amortisation during the Year includes Impairment of Intangible assets ₹ 0.12 (March 31, 2020 : ₹ 0.49)

1. Range of remaining Year of amortisation as at March 31, 2021 of other Intangible assets is as below:

Assets	0 to 5 years	6 to 10 years	More than 10 Years	Total
Softwares	36.00	-	-	36.00
Customer acquisition cost	78.49	-	-	78.49
Bandwidth Rights	7.67	4.42	0.08	12.17
Movie & Serial Rights	4.87	2.81	-	7.68
Cable Television Franchise	8.42	3.49	0.21	12.12
Network Franchise	2.03	0.81	-	2.84
Channel Design	0.04	-	-	0.04
	<b>137.52</b>	<b>11.53</b>	<b>0.29</b>	<b>149.34</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.03 INVESTMENTS

Particulars	Face Value Per Share ₹	As at March 31, 2021		As at March 31, 2020	
		No. of shares	Amount	No. of shares	Amount
Non-Current					
Investments in equity instrument designated at fair value through other comprehensive income - Unquoted (fully paid)					
Hathway Patiala Cable Private Limited	10	71,175	3.08	71,175	3.08
Investments in Government securities measured at amortised cost - Unquoted					
National Savings Certificates			0.16		0.16
			3.24		3.24
Aggregate amount of unquoted investments			0.16		0.16
Aggregate value of investments designated at FVTOCI			3.08		3.08

## 2.04 LOANS

Particulars	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Security Deposits</b>				
Considered good - unsecured	11.34	20.28	14.83	10.48
Loan receivables - credit impaired	4.41	1.93	-	-
Less : Provision for impairment	4.41	1.93	-	-
<b>(A)</b>	<b>11.34</b>	<b>20.28</b>	<b>14.83</b>	<b>10.48</b>
<b>Loans to Related Parties</b>				
Considered good - Unsecured				
Loans to Joint Ventures	0.22	0.22	1.12	1.71
Loan receivables - credit impaired	41.23	42.03	-	-
	<b>41.45</b>	<b>42.24</b>	<b>1.12</b>	<b>1.71</b>
Less : Provision for impairment	41.23	42.03	-	-
<b>(B)</b>	<b>0.22</b>	<b>0.22</b>	<b>1.12</b>	<b>1.71</b>
<b>Other Loans</b>				
Considered good - unsecured	-	-	0.05	0.33
Loan receivables - credit impaired	0.90	0.62	-	-
	<b>0.90</b>	<b>0.62</b>	<b>0.05</b>	<b>0.33</b>
Less : Provision for impairment	0.90	0.62	-	-
<b>(C)</b>	<b>-</b>	<b>-</b>	<b>0.05</b>	<b>0.33</b>
<b>Total (A+B+C)</b>	<b>11.56</b>	<b>20.50</b>	<b>16.00</b>	<b>12.52</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.05 OTHER FINANCIAL ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Share application money (Refer Note no. 4.03(c))	0.26	0.26	-	-
Accrued interest	0.01	0.01	9.62	131.63
Unbilled Revenue#	-	-	12.82	19.36
Bank deposits with more than 12 months maturity ^	4.57	4.28	-	-
Other Receivables	-	-	0.21	0.44
<b>Total</b>	<b>4.84</b>	<b>4.55</b>	<b>22.65</b>	<b>151.43</b>

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

^Marked under lien in favour of banks

## 2.06 DEFERRED TAX ASSETS (NET)\*

Particulars	As at March 31, 2021	As at March 31, 2020
<b>The balance comprises of temporary differences attributable to -</b>		
<b>Deferred Tax Assets in relation to:</b>		
Property, Plant & Equipment	63.03	54.78
Unabsorbed Depreciation / Business Loss	235.62	260.87
Others	136.76	146.65
	<b>435.41</b>	<b>462.29</b>
<b>Deferred tax liabilities in relation to:</b>		
Property, Plant and Equipment	23.12	25.46
	<b>23.12</b>	<b>25.46</b>
<b>Net Deferred Tax Assets</b>	<b>412.29</b>	<b>436.83</b>

Significant Estimates -

\* The deferred tax assets recognised is mainly in respect of unabsorbed depreciation allowance and brought forward losses available for set off for an indefinite period 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, 2021 and March 31, 2020:**

Particulars	As at March 31, 2020	Recognised in Profit / (Loss)	As at March 31, 2021
<b>Deferred Tax Assets in relation to:</b>			
Property, Plant & Equipment	54.78	8.25	63.03
Unabsorbed Depreciation / Business Loss	260.87	(25.25)	235.62
Others	146.65	(9.89)	136.76
<b>Total</b>	<b>462.29</b>	<b>(26.88)</b>	<b>435.41</b>
<b>Deferred tax liabilities in relation to:</b>			
Property, Plant and Equipment	25.46	(2.34)	23.12
<b>Total</b>	<b>25.46</b>	<b>(2.34)</b>	<b>23.12</b>
<b>Total</b>	<b>436.83</b>	<b>(24.54)</b>	<b>412.29</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.07 OTHER ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>CAPITAL ADVANCES</b>				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	-	0.03	-	-
Advance to Suppliers	2.73	6.48	-	-
Doubtful	3.65	2.22	-	-
	6.38	8.73	-	-
Less: Allowance for bad & doubtful advances	3.65	2.22	-	-
<b>(A)</b>	<b>2.73</b>	<b>6.51</b>	<b>-</b>	<b>-</b>
<b>Advances other than Capital Advances</b>				
Unsecured, considered good unless stated otherwise				
Balance with Government authorities:				
GST Claimable	1.38	2.14	71.08	76.10
Advance Income Tax (Net of provision)	80.52	71.90	-	-
Deposit paid under protest	48.92	23.90	-	-
Prepaid expenses	0.23	0.66	6.73	5.75
Staff Advances	-	-	0.59	0.76
Sundry Advances	0.02	0.20	7.47	14.35
Deposit with statutory authorities	9.93	9.93	0.11	0.14
Others	-	-	0.02	0.01
Doubtful	18.58	16.81	-	-
	159.59	125.54	86.00	97.11
Less: Allowance for bad & doubtful advances	18.58	16.81	-	-
<b>(B)</b>	<b>141.01</b>	<b>108.73</b>	<b>86.00</b>	<b>97.11</b>
<b>Total (A+B)</b>	<b>143.73</b>	<b>115.24</b>	<b>86.00</b>	<b>97.11</b>

## 2.08 INVENTORIES

Particulars	As at March 31, 2021	As at March 31, 2020
Stock of Spares and Maintenance Items	5.60	13.98
<b>Total</b>	<b>5.60</b>	<b>13.98</b>

## 2.09 CURRENT INVESTMENTS

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investments measured at fair value through profit or loss - Unquoted</b>		
Investment in Liquid - Mutual Funds	1,071.36	34.10
<b>Total</b>	<b>1,071.36</b>	<b>34.10</b>
Aggregate amount of unquoted investments	1,065.84	33.80

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.10 TRADE RECEIVABLES

Particulars	Current	
	As at March 31, 2021	As at March 31, 2020
Trade receivables - Unsecured	538.52	563.24
	<b>538.52</b>	<b>563.24</b>
Less: Provision for Impairment	533.00	533.91
<b>Total</b>	<b>5.52</b>	<b>29.33</b>

## 2.11 CASH AND CASH EQUIVALENTS

Particulars	Current	
	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
In Current Accounts	72.63	31.77
Deposits with banks with original maturity of 3 months or less	0.64	1,046.37
Cheques on hand	0.01	0.13
Cash on hand	1.79	1.73
<b>Total</b>	<b>75.07</b>	<b>1,080.00</b>

## 2.12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2021	As at March 31, 2020
Margin money deposit*	250.11	2,000.14
In Current Accounts	0.07	0.06
Deposits with original maturity for more than 3 months but less than 12 months	5.37	9.30
<b>Total</b>	<b>255.55</b>	<b>2,009.50</b>

\*Marked under lien in favour of banks

## 2.13 CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Income Tax (net of provision)	1.91	45.03
<b>Total</b>	<b>1.91</b>	<b>45.03</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.14 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Paid up Share Capital comprises :</b>		
1,770,104,500 (March 31, 2020: 1,770,104,500) Equity Shares of ₹ 2/- each fully paid up	354.02	354.02
<b>Total</b>	<b>354.02</b>	<b>354.02</b>

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
<b>Equity Shares of ₹ 2 each</b>				
Shares Outstanding at the beginning of the Year	1,770,104,500	354.02	1,770,104,500	354.02
<b>Shares Outstanding at the end of the year</b>	<b>1,770,104,500</b>	<b>354.02</b>	<b>1,770,104,500</b>	<b>354.02</b>

### b) 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 ₹ 2 (March 31, 2020: ₹ 2) 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.

### c) 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

Name of the Shareholder	As at March 31, 2021	As at March 31, 2020
	No. of Shares held	No. of Shares held
<b>Equity Shares of ₹ 2 each</b>		
Jio Content Distribution Holdings Private Limited \$	671,402,207	749,382,454
Jio Internet Distribution Holdings Private Limited \$	269,084,886	300,337,845
Jio Cable and Broadband Holdings Private Limited \$	200,673,607	223,980,916

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

### d) Details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held ₹ 2 each	% of Holding	No. of Shares held ₹ 2 each	% of Holding
<b>Equity Shares of ₹ 2 each</b>				
Mr. Akshay Raheja	121,413,000	6.86	121,413,000	6.86
Mr. Viren Raheja	119,553,000	6.75	119,553,000	6.75
Hathway Investments Private Limited	112,645,015	6.36	112,645,015	6.36
Jio Content Distribution Holdings Private Limited	671,402,207	37.93	749,382,454	42.34
Jio Internet Distribution Holdings Private Limited	269,084,886	15.20	300,337,845	16.97
Jio Cable and Broadband Holdings Private Limited	200,673,607	11.34	223,980,916	12.65

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.15 OTHER EQUITY

Particulars	As at March 31, 2021	As at March 31, 2020
Retained earnings	(1,083.40)	(1,336.76)
Capital reserve	0.10	0.10
Securities premium	4,725.79	4,725.79
	<b>3,642.49</b>	<b>3,389.13</b>

Description of the nature and purpose of each reserve within equity is as follows:

(a) **Retained Earning:**

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

(b) **Securities Premium:**

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

## 2.16 NON CURRENT BORROWINGS

Particulars	Non Current portion		Current maturities of long term debts	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Term Loans</b>				
<b>Secured</b>				
From Others	-	43.99	-	17.55
<b>Unsecured</b>				
From Others	-	-	-	1.24
<b>Vehicle loan from Banks</b>				
Secured	-	0.11	-	0.05
<b>Total</b>	-	<b>44.10</b>	-	<b>18.84</b>
Amount disclosed under the head 'Other financial liabilities' ( Note 2.17)			-	-
Less : Current maturities of long-term debt (included in Note 2.17)			-	18.84
<b>Net Amount</b>	-	<b>44.10</b>	-	-

## CURRENT BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Overdraft with bank	0.00*	1,911.82
<b>Total</b>	<b>0.00*</b>	<b>1,911.82</b>

\* Amount less than ₹ 50,000

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 2.17 OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term debt (Refer Note no. 2.16)	-	-	-	18.84
Interest accrued and not due	-	-	0.62	0.98
Security deposits	14.15	14.73	0.03	0.03
Employee benefits payable	-	-	8.39	7.23
Capital Creditors				
- Micro enterprises and small enterprises	-	-	4.61	0.25
- Other	-	-	38.86	75.80
Liability for expenses	-	-	0.14	0.12
Proportionate share in Joint venture losses	-	-	2.06	7.79
Lease liability	0.00*	0.00*	-	1.92
Other financial liabilities				
- Micro enterprises and small enterprises	-	-	8.29	-
- Other	-	-	43.10	52.25
<b>Total</b>	<b>14.15</b>	<b>14.73</b>	<b>106.10</b>	<b>165.21</b>

\* Amount less than ₹ 50,000

## 2.18 PROVISIONS

Particulars	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Employee Benefits</b>				
Provision for Bonus	-	-	0.05	0.05
Provision for Leave Encashment	4.38	3.51	0.32	0.27
Provision for Gratuity (non funded)	0.41	0.40	0.04	0.04
	<b>4.79</b>	<b>3.91</b>	<b>0.41</b>	<b>0.36</b>

## 2.19 OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Income received in advance	-	-	81.44	83.29
Gratuity payables (Funded)	5.69	4.87	0.06	-
Statutory Payables	0.00*	0.00*	45.27	62.94
Others	5.29	33.38	44.65	71.73
<b>Total</b>	<b>10.98</b>	<b>38.25</b>	<b>171.42</b>	<b>217.96</b>

\* Amount less than ₹ 50,000

## 2.20 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2021	As at March 31, 2020
Provisions for Taxation (net of advance tax)	0.01	-
Income tax payable	0.00*	-
<b>Total</b>	<b>0.01</b>	<b>-</b>

\* Amount less than ₹ 50,000

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 3.01 REVENUE FROM OPERATIONS

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Sale of Services	1,723.89	1,795.01
Sale of products	5.45	1.11
Other operating revenues	2.43	2.27
<b>Total</b>	<b>1,731.77</b>	<b>1,798.39</b>

## 3.02 OTHER INCOME

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Interest income earned on financial assets measured at Amortised Cost:</b>		
Bank Deposits	47.41	185.94
Interest on Loans	0.02	0.33
Corporate guarantee / Unwinding Interest	0.05	0.48
<b>Other Non - operating income</b>		
Interest on Income Tax Refund	6.42	3.20
Miscellaneous Income	1.57	0.61
Amount no longer payable written back	4.68	0.74
Gain on Foreign Exchange Fluctuation (Net)	2.18	-
<b>Other gains and losses</b>		
Net gain on financial assets measured at fair value through profit or loss	79.44	53.76
Gain on disposal of property, plant and equipment	0.68	0.69
<b>Total</b>	<b>142.45</b>	<b>245.75</b>

## 3.03 OTHER OPERATIONAL EXPENSES

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Commission	87.53	93.21
Bandwidth & Lease Line Cost	81.10	63.94
License Fees	11.95	25.56
Other Sundry Operational Cost	32.77	27.40
Repairs & Maintenance (Plant & Equipment)	20.79	31.57
Rent	26.24	25.91
Consultancy & Technical Fees	18.45	19.61
Feed charges	0.54	1.48
Software & Programming Cost	12.74	9.75
Freight & Octroi Charges	3.87	1.93
Hire Charges	8.40	6.26
<b>Total</b>	<b>304.38</b>	<b>306.62</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 3.04 EMPLOYEE BENEFIT EXPENSE

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries & Bonus	87.96	85.09
Contribution to provident and other funds	5.45	4.96
Staff Welfare expenses	4.54	4.74
<b>Total</b>	<b>97.95</b>	<b>94.79</b>

## 3.05 FINANCE COSTS

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest expenses on financial liabilities	30.54	183.55
Other borrowing costs	6.94	42.82
<b>Total</b>	<b>37.48</b>	<b>226.37</b>

## 3.06 DEPRECIATION , AMORTIZATION & IMPAIRMENT

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation of Property, Plant and Equipment	242.20	234.41
Amortization of intangible assets	44.93	38.46
Impairment on Property, Plant & Equipment	83.93	97.74
Impairment on Other Intangible assets	0.12	0.49
<b>Total</b>	<b>371.18</b>	<b>371.10</b>

## 3.07 OTHER EXPENSES

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Service Charges	177.95	177.33
Bad Debts	5.05	3.93
Less: Transfer from impairment of trade receivables (Expected credit loss)	5.05	3.93
	-	-
Electricity Expenses	27.61	29.99
Impairment of trade receivables (Expected credit loss)	4.15	89.29
Impairment of Advances	6.21	2.04
Sundry Advances Written Off	0.87	0.44
Advertisement & Promotion expenses	8.12	18.96
Rent - Offices	11.78	13.60
Loss on disposal / shortage of Property, Plant and Equipment	16.60	9.04
Loss on Foreign Exchange Fluctuation (Net)	-	5.52
Rates and taxes	5.33	4.64
Office Expenses	7.69	7.40
Legal and Professional Charges	7.22	9.73
Auditor Remuneration	0.86	0.87
Conveyance	2.00	6.29
Repairs and Maintenance (Others )	5.50	7.92

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Communication Charges	2.40	2.48
Travelling	1.47	3.72
Printing and Stationery	0.95	2.87
Business Promotion Expenses	0.82	0.92
Insurance Charges	1.33	2.00
Interest on Taxes	0.91	2.35
Sitting Fees	0.33	0.31
Goodwill written off	0.01	-
Miscellaneous Expenses	4.82	3.39
<b>Total</b>	<b>294.93</b>	<b>401.09</b>

## 3.08 EXCEPTIONAL ITEMS

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Impairment of Trade Receivables, advances & exposure to certain entities including Joint Ventures	-	6.69
Settlement under Amnesty Scheme for local levies	4.59	-
(Profit) / Loss due to change in stake in Joint Venture (net)	0.66	-
<b>Total</b>	<b>5.25</b>	<b>6.69</b>

## 3.09 TAX EXPENSES

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>(a) Income tax expenses:</b>		
<b>Current tax</b>		
In respect of the current Year	0.81	0.12
	<b>0.81</b>	<b>0.12</b>
<b>Deferred tax</b>		
In respect of the current Year	24.55	3.98
	<b>24.55</b>	<b>3.98</b>
<b>Total income tax expense/ (benefit) recognised in the Year</b>	<b>25.36</b>	<b>4.10</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :</b>		
<b>Profit Before tax</b>	<b>278.61</b>	<b>109.57</b>
Enacted tax rate in India	25.17%	25.17%
<b>Expected income tax expenses / (benefit) at statutory tax rate</b>	<b>70.12</b>	<b>27.58</b>
Entities with no tax	(50.45)	(19.24)
Share of net profit of Joint venture and Associate not taxable	(18.86)	(8.22)
<b>Current tax (A)</b>	<b>0.81</b>	<b>0.12</b>
Incremental Deferred tax asset on deductible taxable differences	9.89	(115.08)
Incremental Deferred tax asset on temporary differences of Tangible and Intangible Assets	(10.59)	(0.66)
Incremental Deferred tax asset on account of Unabsorbed depreciation and carried forward losses	25.25	119.72
<b>Deferred tax (B)</b>	<b>24.55</b>	<b>3.98</b>
<b>Total (A+B)</b>	<b>25.36</b>	<b>4.10</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 4.01 Earnings/(Loss) Per Share

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Basic earnings per share (Amount in ₹)</b>		
Attributable to equity holders of the group	1.43	0.59
<b>Diluted earnings per share (Amount in ₹)</b>		
Attributable to equity holders of the group	1.43	0.59
Nominal value of Ordinary shares (Amount in ₹)	2.00	2.00
<b>Reconciliation of earnings used in calculating earnings per share:</b>		
<b>Basic earnings per share</b>		
Profit / (Loss) attributable to equity holders of the group used in calculating basic earnings per share	252.73	103.73
<b>Diluted earnings per share</b>		
Profit / (Loss) attributable to equity holders of the group used in calculating diluted earnings per share	252.73	103.73
<b>Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share</b>	1,770,104,500	1,770,104,500

## 4.02 Employee Benefits

### a) Defined Benefit Plans:

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

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 and 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, 2021	March 31, 2020
<b>1 Expense recognized in the consolidated Statement of Profit and Loss</b>		
Current Service Cost	1.22	1.10
Net Interest	0.36	0.32
Past Service Cost	-	-
<b>Expense recognized in the consolidated Statement of Profit and Loss</b>	<b>1.57</b>	<b>1.42</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
<b>2 Other Comprehensive Income (OCI)</b>		
Measurement of net defined benefit liability		
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	0.47
Actuarial (gains)/ losses arising from changes in financial assumption	0.19	0.19
Actuarial (gains)/ losses arising from experience adjustments	(0.54)	(0.88)
Return on plan asset excluding net interest	(0.13)	(0.04)
<b>Total Actuarial (Gain)/Loss recognised in OCI</b>	<b>(0.48)</b>	<b>(0.26)</b>
<b>3 Change in benefit obligations:</b>		
Projected benefit obligations at beginning of the year	8.70	7.83
Current Service Cost	1.22	1.10
Interest Cost	0.56	0.54
Past Service Cost	-	-
Benefits Paid	(0.38)	(0.55)
Actuarial (Gain) / Loss		
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	0.47
Actuarial (gains)/ losses arising from changes in financial assumption	0.20	0.19
Actuarial (gains)/ losses arising from experience adjustments	(0.48)	(0.88)
<b>Projected benefit obligations at end of the year</b>	<b>9.81</b>	<b>8.70</b>
<b>4 Fair Value of Plan Assets</b>		
Opening Fair Value of Plan Asset	3.39	3.35
Return on Plan Assets excl. interest income	0.13	0.04
Interest Income	0.21	0.22
Contributions by Employer	0.20	0.29
Benefits Paid	(0.37)	(0.51)
<b>Fair Value of Plan Assets at end of the year</b>	<b>3.55</b>	<b>3.39</b>
<b>5 Net Liability</b>		
Projected benefit obligations at end of the year	9.81	8.70
Fair Value of Plan Asset at the end of the year	3.55	3.39
<b>Net Liability</b>	<b>6.26</b>	<b>5.30</b>
<b>6 The net liability disclosed above relates to funded and unfunded plans are as follows</b>		
Projected benefit obligations at end of the year	9.39	8.25
Fair Value of Plan Asset at the end of the year	3.55	3.39
<b>Deficit of funded plan</b>	<b>5.84</b>	<b>4.86</b>
<b>Unfunded Plan</b>	<b>0.42</b>	<b>0.44</b>
<b>Deficit of gratuity plan</b>	<b>6.26</b>	<b>5.30</b>
<b>7 Sensitivity Analysis</b>		
Present value of benefit obligation at the end of the year on		
0.50 % to 1.00 % increase in discount rate	9.44	8.37
0.50 % to 1.00 % decrease in discount rate	10.06	9.18
0.50 % to 1.00 % increase in rate of salary	10.05	9.18
0.50 % to 1.00 % decrease in rate of salary	9.45	8.37
1.00 % increase in attrition rate	9.33	8.30
1.00% point decrease in attrition rate	9.27	8.22
10% increase in mortality rate	9.30	8.26
10% decrease in mortality rate	9.29	8.26

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
<b>8 Principal assumptions used for the purpose of actuarial valuation</b>		
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
Interest /discount rate	6.55%-7.00%	6.60%-6.90%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	6.19 - 11.88	7.39 - 12.26
Employee Attrition Rate (Past service(PS))	21-30 years: 10.00% - 21.70% 31-40 years: 5.00% - 16.90% 41-50 years: 3.00% - 10.00% 51-59 years: 0.00% - 11.11%	21-30 years: 10.00% - 21.70% 31-40 years: 5.00% - 16.90% 41-50 years: 3.00% - 10.00% 51-59 years: 0.00% - 11.11%
<b>9 Investment Details</b>		
Insurer managed funds (LIC of India and Exide Life Insurance Company Limited)	100.00%	100.00%

Above data pertains to Hathway Cable and Datacom Limited (Holding Company), Hathway Digital Ltd. (Wholly-owned subsidiary), Hathway Kokan Crystal Cable Network Ltd (Subsidiary) and Hathway Bhawani Cabletel and Datacom Limited (Subsidiary) only. In the opinion of the management no material liabilities would arise on account of other subsidiaries.

## (b) Defined Contribution Plans:

The Group contributes towards provident fund, Employee Pension Scheme, ESIC and Employees' Deposit Linked Insurance Scheme to a defined contribution plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the defined contribution plan to fund the benefits.

The Group operated defined contribution retirement benefit plans for all qualifying employees.

The total expenses recognised in the statement of Profit and Loss is ₹ 3.97 (March 31, 2020: ₹ 3.66 ) represents contribution payable to these plans by the Group at the rates specified in the rules of plan.

## 4.03 Contingent Liabilities

- Few Broadcasters and the Company have made claims and counter claims against each other relating to pay channel cost. Claims of such broadcasters, not acknowledged as liabilities, aggregate to ₹ 0.93 (March 31, 2020: ₹ 0.93) to the extent ascertained and not settled, are disclosed under contingent liabilities as Claims against the Company not acknowledged as debts.
- In the state of Telangana, VAT authorities have considered Set top boxes deployed as sale and raised demand of ₹ 18.05 (March 31, 2020: ₹ 18.05) for the period April, 2011 to May 31, 2013 on Hathway Digital Limited (HDL), one of our subsidiary. HDL's appeal is pending before Tribunal. HDL 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, HDL 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.
- The minority shareholders of the erstwhile joint venture company, Hathway Rajesh Multichannel Pvt. Ltd., filed an arbitration petition against the Company before the High Court, Bombay, which was referred to a sole arbitrator in

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

- August 2016. The minority shareholders, in their statement of claim have sought, amongst other reliefs, payment of ₹ 54.98 (March 31, 2020: ₹ 54.98) under various heads. The Company has refuted the claims and has made counter claim of ₹ 91.17 (March 31, 2020: ₹ 91.17) towards inter-alia outstanding content cost, loans, payments and damages / compensation for the loss of financial and management credibility, goodwill etc. The matter is currently pending.
- d) Entertainment Tax Officer, Pune has raised demand for Entertainment Tax on secondary points up to October, 2014 amounting to ₹ 4.57 (March 31, 2020: ₹ 4.57) on Hathway Digital Limited (HDL), one of our subsidiary. 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.
- e) Karnataka VAT Department has reassessed VAT liabilities of Hathway Digital Limited (HDL), one of our subsidiary for the financial Years 2011-12, 2012-13 and 2013-14 stating that the amount realized as activation charges is sale of STBs and liable to VAT. The total tax liability is determined at ₹ 10.28 (March 31, 2020: ₹ 10.28 ). The Honorable High Court has admitted the writ petition and has granted an order of stay over recovery of taxes.
- f) During the year, the Company has received Show Cause cum Demand notices ("SCNs") from the Department of Telecommunications ("DOT"), Government of India for the financial years 2006-07, 2007-08 and 2008 -09 towards ISP license fees aggregating to ₹ 376.40 which includes penalty and interest thereon as of September 30, 2020. The Company has responded to DOT contesting their inclusion of Cable TV revenue in arriving at Adjusted Gross Revenue (AGR) for calculation of License Fee payable by the Company under the ISP License in these SCNs. Based on the opinion of legal expert, the Company is confident that it has good grounds on merit to defend itself in the above matter. Accordingly, the Company is of the view that no provision is necessary in respect of the aforesaid matter in the financial results.
- g) Hathway Bhawani Cabletel & Datacom Limited (HBCDL), one of our Subsidiary has received Show Cause cum Demand notices ("SCNs") from the Department of Telecommunications ("DOT"), Government of India for the financial years 2007-08 and for the financial years 2009-10 to 2012-13 towards ISP license fees aggregating to ₹ 22.71 which includes penalty and interest thereon upto the respective dates of the notice (March 31, 2020: for the financial years 2007-08 and 2009-10 aggregating to ₹ 7.87 ). HBCDL has responded to DOT contesting their inclusion of Cable TV revenue in arriving at Adjusted Gross Revenue "AGR" for calculation of License Fee payable by HBCDL under the ISP License in these SCNs. Based on the opinion of legal expert, HBCDL is confident that it has good grounds on merit to defend itself in the above matter. Accordingly, HBCDL is of the view that no provision is necessary in respect of the aforesaid matter.
- h) The Commercial Tax Department, Jaipur has raised a demand on Hathway Digital Limited (HDL), one of our subsidiary of ₹ 29.68 for Entertainment Tax upto March 2011. Special Leave petition has been filed before the Honorable Supreme Court challenging the order dated May 08, 2015 passed by Honorable High Court of Rajasthan, Jaipur Bench, against which Interim stay has been granted to HDL with a direction to deposit an amount of ₹ 2.00.
- i) On conclusion of investigation by the Directorate of Revenue Intelligence (DRI) on alleged evasion of customs duty on import of software licence of viewing cards, the Commissioner of Customs (Import) has passed an order demanding Custom's Duty of ₹ 8.95 (March 31, 2020: ₹ 8.95) and penalty of ₹ 8.95 (March 31, 2020: ₹ 8.95). The Company has deposited ₹ 0.67 (March 31, 2020: ₹ 0.67) under protest and filed an appeal against the order before Customs and Excise and Service Tax Appellate Tribunal (CESTAT), Western Zonal Branch, Mumbai. Such appeal is pending before the CESTAT.
- j) Karnataka VAT Department has reassessed VAT liabilities of Hathway Digital Limited (HDL), one of our subsidiary for the financial Years 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 ₹ 7.42. The honorable High Court has admitted the writ petition and has granted an order of stay over recovery of taxes.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### k) Income Tax Matters

Particulars	March 31, 2021	March 31, 2020
Income Tax matter under appeal (Of the above an amounts of ₹ 27.48 (March 31, 2020: ₹ 0.59) has already been deposited with Income Tax Department)	46.25	0.39

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

Matters with	March 31, 2021	March 31, 2020
Operators & Others	6.47	6.37
Entertainment Tax Department in the city of Thane, Aurangabad, Agra, Ghaziabad, Hyderabad, Gwalior and Delhi	8.23	10.83
Other Statutory Departments	0.61	1.73
Custom Duty (including provisional assessment) (Out of which, Deposit of ₹ 3.62 paid under protest)	8.87	-
VAT department in the State of Maharashtra, Madhya Pradesh, Telangana, Gujarat, Delhi and Karnataka	9.09	8.27
Service Tax department	-	0.54
<b>Total</b>	<b>33.27</b>	<b>27.74</b>

### m) Note on pending litigations

The Group has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

### n) Foreseeable losses

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

## 4.04 Capital And Other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) aggregate to ₹ 175.89 (March 31, 2020: ₹ 49.12)

As a part of business strategy, the Group has expanded its area of operations in various parts of the country by entering into arrangements with local partners. Such operations are in the form of joint ventures (subsequently, some of such entities are converted into wholly owned subsidiaries). Since operations of such entities are significantly dependent on the Group's policies, the Group is committed to provide the required support towards the operations of such entities including financial support that may be required to meet commitments / obligations of such entities.

## 4.05 Financial Corporate Guarantee

The Company has given Corporate Guarantees of ₹ 20 (March 31, 2020: ₹ 20.00) to Banks towards various credit facilities extended by such banks to the Associates.

The Company has given Letter of Comfort of ₹ Nil (March 31, 2020: ₹ 7.46) to Banks towards various credit facilities extended by them to related parties.

## 4.06 Capital Management

The Group'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 Group's

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

capital management, Capital includes equity attributable to the equity holders of the Group and all other equity reserves. The principal source of funding of the Group is expected to be cash generated from its operations supplemented by funding through capital market options.

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

### 4.07 Financial Instruments

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

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

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

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, security deposits given, loans given to related parties, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets, security deposits taken, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- 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 Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying values	Fair value	Carrying values	Fair value
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Non- current investments	0.16	0.16	0.16	0.16
Trade receivables	5.52	5.52	29.33	29.33
Loans and Advances	27.56	27.56	33.02	33.02
Cash and Bank balances	335.19	335.19	3,093.78	3,093.78
Other financial assets	22.92	22.92	151.70	151.70
<b>Total (A)</b>	<b>391.35</b>	<b>391.35</b>	<b>3,307.99</b>	<b>3,307.99</b>
<b>Measured at fair value through profit/loss</b>				
Investment in mutual funds	1,071.36	1,071.36	34.10	34.10
<b>Total (B)</b>	<b>1,071.36</b>	<b>1,071.36</b>	<b>34.10</b>	<b>34.10</b>

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying values	Fair value	Carrying values	Fair value
<b>Measured at fair value through other comprehensive income</b>				
Investment in equity shares of other companies	3.08	3.08	3.08	3.08
<b>Total (C)</b>	<b>3.08</b>	<b>3.08</b>	<b>3.08</b>	<b>3.08</b>
<b>Total Financial assets (A+B+C)</b>	<b>1,465.79</b>	<b>1,465.79</b>	<b>3,345.17</b>	<b>3,345.17</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings #	0.00	0.00	1,974.76	1,974.76
Trade payables	213.28	213.28	231.06	231.06
Other financial liabilities	120.25	120.25	161.10	161.10
<b>Total Financial liabilities</b>	<b>333.53</b>	<b>333.53</b>	<b>2,366.92</b>	<b>2,366.92</b>

# includes current maturities of long term debts

### (iii) Level wise disclosure of financial instruments

Particulars	As at March 31, 2021	As at March 31, 2020	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies	3.08	3.08	3	Discounted Cash Flow method
Investment in mutual funds	1,071.36	34.10	1	Closing Net Asset Value of Mutual Fund

## 4.08 Financial Risk Management

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group'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 Group expose it to financial risks namely Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Group, it uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency swap contracts, call options are entered to hedge certain foreign currency risk exposures and follows policies set up by a Treasury department under policies approved by the Board of Directors.

### 1 Credit Risk:

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

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

Credit risks from balances with banks and financial institutions are managed in accordance with the Group policy. For derivative and financial instruments, the Group 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 Group'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 and promotional income and incentives. 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

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

geographically, there is no concentration of credit risk. In case of receivables and unbilled revenue from the marketing and promotional income and incentives, as there is no independent credit rating of the broadcasters available with the Group, the management reviews the credit-worthiness of the broadcasters based on their financial position, past experience and other factors.

The Group follows a simplified approach (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables and unbilled revenue. For the purpose of measuring the lifetime ECL allowance for trade receivables and unbilled revenue, the Group uses a provision matrix which comprise a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. In addition, in case there are events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.

### Reconciliation of changes in the loss allowances measured using life time expected credit loss model-Trade receivables

Particulars	Amount
<b>As at April 01, 2019</b>	<b>448.16</b>
Provided during the year	90.76
Amounts written off	(5.01)
Provision reversed	-
<b>As at March 31, 2020</b>	<b>533.91</b>
Provided during the year	7.54
Amounts written off	(5.05)
Provision reversed	(3.39)
<b>As at March 31, 2021</b>	<b>533.00</b>

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 Group 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 Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's 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 Group's senior management monitors the Group'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, 2021	less than 1 year	1 to 5 year	Total
<b>Non-Derivatives</b>			
Trade payables	213.28	-	213.28
Borrowings	0.00	-	0.00
Lease liability	-	-	-
Other financial liabilities	106.10	14.15	120.25
<b>Total</b>	<b>319.38</b>	<b>14.15</b>	<b>333.53</b>

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

As at March 31, 2020	less than 1 year	1 to 5 year	Total
<b>Non-Derivatives</b>			
Trade payables	231.06	-	231.06
Borrowings*	1,930.75	44.23	1,974.98
Lease liability	1.92	-	1.92
Other financial liabilities	144.45	14.73	159.18
<b>Total</b>	<b>2,308.18</b>	<b>58.96</b>	<b>2,367.14</b>

\* Include ₹ 0.22 as Prepaid Finance Charges.

The Group from time to time in its usual course of business has issued financial guarantees and letter of comfort to certain Joint Ventures and Associate. Accordingly, Group has issued corporate guarantee and letter of comfort for debt of ₹ 20 as on March 31, 2021 (March 31, 2020: ₹ 27.46). The outflow in respect of these guarantees and letter of comfort will arise only upon default of the such joint ventures and associate. An amount of ₹ 20 (March 2020: ₹ 27.46) is due for repayment within 1 year from the reporting date.

### Financing arrangements

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

The Group 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 risks related to changes in foreign currency exchange rate and price.

#### 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 Group. The Group 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 borrowings / 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 Group does not enter into or trade financial instruments, including derivatives for speculative purpose.

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

#### Foreign Currency Exposure

Particulars	As at March 31, 2021	As at March 31, 2020
	USD	USD
<b>Liabilities</b>		
Trade payables	13.56	52.16

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### Unhedged Foreign Currency Exposure:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
<b>Accounts Payables</b>				
USD	0.19	13.56	0.69	52.16
<b>Other Firm Commitments</b>				
USD	0.83	60.91	0.32	24.24

On the INR USD Cross Currency swap contracts, the actual interest earned on notional INR deposit, interest paid on notional USD borrowing, exchange fluctuation on payment/ settlement of principal amount and marked to market loss on USD exposure aggregating net gain /(loss) of ₹ Nil (March 31, 2020: ₹ (1.88)) are included under finance cost in note number 3.05 in Notes to the financial statements.

### Foreign currency sensitivity

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

Particulars	Impact on Profit or Loss before tax: Increase / (Decrease)			
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(0.14)	(0.52)	0.14	0.52

Particulars	Impact on other components of equity: Increase / (Decrease)			
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(0.14)	(0.52)	0.14	0.52

### (b) Market Risk -Price Risk:

The Group is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At March 31 2021, the investments in mutual funds is ₹ 1,071.36 (March 31, 2020 : ₹ 34.10). These are exposed to price risk. In order to minimise price risk arising from investments in mutual funds, the Group predominately invests in those mutual funds which have higher exposure to high quality debt instruments with adequate liquidity and no demonstrated track record of price volatility.

### Price risk sensitivity:

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

Particulars	Impact on Profit or Loss: Increase / (Decrease)		Impact on equity: Increase/(Decrease)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Price - increase by 0.10%*	1.07	0.03	1.07	0.03
Price - decrease by 0.10%*	(1.07)	(0.03)	(1.07)	(0.03)

\* assuming all other variables as constant

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 4.09 Related Party Disclosures

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

#### i) The group is controlled by the following entities:

Entities exercising control #	
	Reliance Industries Limited
	Reliance Industrial Investments and Holdings Limited* (Protector of Digital Media Distribution Trust)
	Digital Media Distribution Trust
	Jio Content Distribution Holdings Private Limited \$
	Jio Internet Distribution Holdings Private Limited \$
	Jio Cable and Broadband Holdings Private Limited \$

#### ii) Other Related Parties

<b>1 Fellow Subsidiaries</b>	Reliance Corporate IT Park Limited ^ Reliance Jio Infocomm Limited ^ Reliance Retail Finance Limited ^ Reliance Projects & Property Management Services Limited^ Den Broadband Private Limited^ Den Networks Limited^ Jio Haptik Technologies Limited^ Reliance Retail Limited^ Jio Platforms Limited^ Viacom 18 Media Private Limited^ TV18 Broadcast Limited ^ IndiaCast Media Distribution Private Limited ^
<b>2 Joint Ventures</b>	Hathway Digital Saharanpur Cable & Datacom Limited (upto December 15, 2020) Hathway Sai Star Cable & Datacom Private Limited Hathway MCN Private Limited Hathway Channel 5 Cable & Datacom Private Limited Net 9 Online Hathway Private Limited (Upto March 18, 2021) Hathway Cable MCN Nanded Private Limited Hathway Latur MCN Cable & Datacom Private Limited Hathway Palampur Cable Network Private Limited (upto February 11, 2021) Hathway ICE Television Private Limited Hathway Sonali Om Crystal Cable Private Limited Hathway Dattatray Cable Network Private Limited Hathway Prime Cable & Datacom Private Limited Hathway SS Cable & Datacom - LLP
<b>3 Joint Ventures of Subsidiaries</b>	Hathway CCN Multinet Private Limited Hathway CCN Entertainment (India) Private Limited Hathway CBN Multinet Private Limited Hathway Bhaskar CCN Multi Entertainment Private Limited Hathway Bhawani NDS Network Limited
<b>4 Associate of Fellow Subsidiaries</b>	Eenadu Television Private Limited Shop CJ Network Private Limited (upto June 6, 2019) TV 18 Home Shopping Network Limited (upto June 6, 2019)
<b>5 Associate Companies</b>	Pan Cable Services Private Limited Hathway VCN Cablenet Private Limited GTPL Hathway Limited
<b>6 Trust - Post Employment Benefit Trust</b>	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme Hathway Digital Private Limited Employees Group Gratuity Trust

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

<b>7 Key Management Personnel</b>	<b>Executive Director:-</b>
	Mr. Rajan Gupta - Managing Director
	<b>Non Executive Directors :-</b>
	<b>Independent Directors</b>
	Mr. Sridhar Gorthi
	Mr. Sasha Gulu Mirchandani
	Ms. Ameeta A Parpia
	<b>Non Independent Directors</b>
	Mr. Viren R Raheja
	Mr. Akshay R Raheja
	Ms. Geeta Fulwadaya
	Mr. Anuj Jain
	Mr. Saurabh Sancheti

# w.e.f. January 30, 2019

\* 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

^ Subsidiaries of Reliance Industries Limited.

## B) Related Party Transactions

### Compensation to Key Management Personnel:-

Particulars	March 31, 2021	March 31, 2020
(a) Short Term employee benefits*	5.06	4.56
(b) Post employment benefits	0.13	0.13
(c) Other long term benefits	-	-
<b>Total Compensation</b>	<b>5.19</b>	<b>4.69</b>

\* Short term employee benefits include sitting fees paid to directors

Note : As the employment benefits such as Gratuity & Leave encashment are provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Management Personnel is not ascertainable and therefore not included above.

Nature of Transactions	Name of the Party	Relationship	F.Y. 2020-21	F.Y. 2019-20
<b>INCOME</b>				
Subscription Income	Hathway MCN Private Limited	Joint venture	10.75	7.39
	Net 9 Online Hathway Private Limited	Joint Venture	0.56	0.64
	Eenadu Television Private Limited	Associate of Fellow Subsidiary	0.01	-
	TV18 Home Shopping Network Limited	Associate of Fellow Subsidiary	-	0.33
	IndiaCast Media Distribution Private Limited	Fellow Subsidiary	45.34	49.29
	TV18 Broadcast Limited	Fellow Subsidiary	0.02	-
	Others	Entity exercising control	0.04	-
	Others	Fellow Subsidiary	0.01	-
	Others	Joint venture	9.68	7.92
	Others	Joint Venture of Fellow Subsidiary	0.44	0.40

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	F.Y. 2020-21	F.Y. 2019-20
Service Charges	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	0.00*	0.00*
Incentive	Eenadu Television Private Limited	Associate of Fellow Subsidiary	3.65	4.22
	TV18 Broadcast Limited	Fellow Subsidiary	7.51	7.42
Consultancy Income	Hathway Latur MCN Cable & Datacom Private Limited	Joint venture	0.85	0.95
	Hathway Cable MCN Nanded Private Limited	Joint venture	1.19	0.64
	Hathway MCN Private Limited	Joint venture	2.70	1.30
	Hathway Sai Star Cable & Datacom Private Limited	Joint venture	2.98	-
	Net 9 Online Hathway Private Limited	Joint venture	0.17	0.29
	Others	Joint Ventures of Subsidiaries	0.11	0.11
Interest on Loans	Hathway Sai Star Cable & Datacom Private Limited	Joint venture	0.00*	0.16
Sales of Access Devices / Parts and Accessories	Hathway Sai Star Cable & Datacom Private Limited	Joint venture	1.06	-
	Hathway MCN Private Limited	Joint venture	1.36	0.91
	Den Networks Limited	Fellow Subsidiary	1.40	-
	Others	Fellow Subsidiary	0.09	-
	Others	Joint Venture of Subsidiary	0.04	-
	Others	Joint venture	1.66	0.19
Business Support Services	Hathway Cable MCN Nanded Private Limited	Joint venture	0.02	-
	Hathway Latur MCN Cable & Datacom Private Limited	Joint venture	0.02	-
	Hathway MCN Private Limited	Joint venture	0.02	-
Software Charges	Den Networks Limited	Fellow Subsidiary	1.43	-
Advertisement	Viacom 18 Media Private Limited	Fellow Subsidiary	0.27	-
Lease Line charges	Hathway Cable MCN Nanded Private Limited	Joint venture	0.18	-
	Hathway Latur MCN Cable & Datacom Private Limited	Joint venture	0.58	-
	Hathway MCN Private Limited	Joint venture	0.43	-
	Others	Fellow Subsidiary	0.12	-
Rent Income	Den Networks Limited	Fellow Subsidiary	0.17	-
Dividend Income	GTPL Hathway Limited	Associate	12.59	4.20
Sales - Capital Assets	Hathway CCN Entertainment (India) Private Limited	Joint Venture of Subsidiary	-	0.17
	Others	Joint Venture of Subsidiary	-	0.00*

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	F.Y. 2020-21	F.Y. 2019-20
<b>EXPENSES</b>				
Feed charges	Hathway MCN Private Limited	Joint venture	6.83	2.96
	Hathway Sai Star Cable And Datacom Private Limited	Joint venture	1.77	2.23
	Others	Associate	-	0.08
	Others	Joint ventures	4.75	2.74
	Others	Joint Ventures of Subsidiaries	0.29	0.06
Rent Offices	Mr. Akshay R Raheja	Key Management Personnel	1.85	2.17
	Mr. Viren R Raheja	Key Management Personnel	1.85	2.17
	Others	Fellow Subsidiary	0.44	-
Pay Channel Cost	TV18 Broadcast Limited	Fellow Subsidiary	78.38	77.89
	Eenadu Television Private Limited	Associate of Fellow Subsidiary	12.74	13.82
Consultancy Charges	Hathway CCN Multinet Private Limited	Joint Venture of Subsidiary	-	0.09
Bad Debts written off	Hathway Dattatray Cable Network Private Limited	Joint venture	2.00	2.00
Impairment of Doubtful Advances / Receivables	GTPL Hathway Limited	Associate	-	3.69
	Hathway Dattatray Cable Network Private Limited	Joint venture	-	0.55
Contribution to Gratuity Fund	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme	Trust	-	0.13
	Hathway Digital Private Limited Employees Group Gratuity Trust	Trust	0.20	0.18
Business Support Expense	Reliance Industries Limited	Entity exercising control	0.01	0.01
Bandwidth and Lease Line Cost	Reliance Jio Infocomm Limited	Fellow Subsidiary	51.48	35.53
Internet Usage Charges	Reliance Jio Infocomm Limited	Fellow Subsidiary	0.01	-
Purchase of Asset (License Fees)	Jio Haptik Technologies Limited	Fellow Subsidiary	0.37	-
Service Charges	Jio Platforms Limited	Fellow Subsidiary	2.89	-
	Other	Fellow Subsidiary	0.60	-
Purchase of Access devices and Accessories	Reliance Jio Infocomm Limited	Fellow Subsidiary	0.06	0.03
	Den Broadband Private Limited	Fellow Subsidiary	0.21	-
	Reliance Retail Limited	Fellow Subsidiary	4.46	-
	Jio Haptik Technologies Limited	Fellow Subsidiary	0.08	-
Advance Written off	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	2.00
	Others	Joint Venture	0.20	-
Exceptional Item	Hathway Palampur Cable Network Private Limited	Joint Venture	-	0.12
	Hathway Digital Saharanpur Cable & Datacom Private Limited	Joint Venture	-	0.42

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	F.Y. 2020-21	F.Y. 2019-20
<b>Change in Assets/Liabilities during the year</b>				
Impairment in value of Investments made during the year	Hathway Palampur Cable Network Private Limited	Joint Venture	-	0.12
Allowance for bad and doubtful loans made during the year	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	(2.00)
	Hathway Digital Saharanpur Cable & Datacom Limited	Joint Venture	(1.04)	-
	Others	Joint Venture	0.24	-
Allowance for bad and doubtful debts made during the year	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	(0.21)	-
	Hathway Dattatray Cable Network Private Limited	Joint Venture	(2.23)	(1.45)
	Hathway SS Cable & Datacom LLP	Joint Venture	2.10	-
	GTPL Hathway Limited	Associate	-	3.69
	Others	Joint Ventures	-	0.42
Net Advances / Trade Receivables / Trade Payables made during the year	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	1.17	-
	Hathway Latur MCN Cable & Datacom Private Limited	Joint Venture	0.62	-
	IndiaCast Media Distribution Private Limited	Fellow Subsidiary	0.64	-
	TV18 Broadcast Limited	Fellow Subsidiary	-	9.78
	Others	Fellow Subsidiary	0.35	-
	Others	Entity exercising control	0.01	-
	Others	Joint Ventures	0.66	0.31
	Others	Joint Ventures of Subsidiaries	-	0.17
	Others	Associate of Fellow Subsidiary	0.38	0.57
	Others	Joint Venture of Fellow Subsidiary	-	0.01
Net Advances / Trade Receivables / Trade Payables Recovered / Paid during the year	GTPL Hathway Limited	Associate	-	8.82
	Hathway SS Cable & Datacom LLP	Joint Venture	0.61	0.14
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	2.00
	Hathway Dattatray Cable Network Private Limited	Joint Venture	3.39	4.27
	Hathway CCN Multinet Private Limited	Joint Venture of Subsidiary	0.70	1.13
	TV18 Broadcast Limited	Fellow Subsidiary	4.90	-
	IndiaCast Media Distribution Private Limited	Fellow Subsidiary	-	4.94
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	0.15	4.06
	Eenadu Television Private Limited	Associate of Fellow Subsidiary	-	2.13
	Reliance Jio Infocomm Limited	Fellow Subsidiary	5.54	13.29
	Others	Fellow Subsidiary	0.45	-
	Others	Joint Venture of Fellow Subsidiary	0.00*	0.07
	Others	Joint Ventures	0.16	4.18
	Others	Joint Venture of Subsidiaries	0.70	1.14

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	F.Y. 2020-21	F.Y. 2019-20
Investment Sold during the year	Hathway Palampur City Cable Network Private Limited	Joint Venture	0.68	-
	Net 9 Online Hathway Private Limited	Joint Venture	2.01	-
Investment made during the year	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	-	0.70

Nature	Name of the Party	Relationship	As at March 31, 2021	As at March 31, 2020
<b>CLOSING BALANCES</b>				
Investments	GTPL Hathway Limited	Associate	168.75	168.75
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	27.80	27.80
	Others	Joint Ventures of Subsidiaries	11.45	11.45
	Others	Associate	0.10	0.10
	Others	Joint Ventures	39.31	42.65
Loans & advances	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	13.48	13.48
	Hathway CCN Multinet Private Limited	Joint venture of Subsidiary	1.63	1.63
	Hathway VCN Cablenet Private Limited	Associate	5.50	5.50
	Others	Associate	3.49	3.49
	Others	Trust	-	0.01
	Others	Joint Ventures	1.30	2.69
Allowance for bad and doubtful debts	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture	3.81	3.81
	Hathway Dattatray Cable Network Private Limited	Joint Venture	4.69	6.92
	Others	Associate	4.01	4.01
	Others	Joint Venture	4.96	3.49
	Others	Joint Ventures of Subsidiaries	4.47	4.47
Impairment in Value of Investments	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture	6.28	6.28
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	16.68	16.68
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	15.17	15.17
	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	Joint venture of Subsidiary	2.58	2.58
	Others	Joint Ventures of Subsidiary	0.15	0.15
	Others	Associate	0.10	0.10
	Others	Joint Venture	4.86	3.73

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Nature	Name of the Party	Relationship	As at March 31, 2021	As at March 31, 2020
Allowance for bad and doubtful loans	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	13.45	13.45
	Hathway VCN Cablenet Private Limited	Associate	5.50	5.50
	Hathway CCN Multinet Private Limited	Joint venture of Subsidiary	1.63	1.63
	Others	Associate	3.09	3.09
	Others	Joint Ventures	0.62	1.42
Trade Payables	TV18 Broadcast Limited	Fellow Subsidiary	14.02	8.39
	Eenadu Television Private Limited	Associate of Fellow Subsidiary	2.48	3.84
	Reliance Jio Infocomm Limited	Fellow Subsidiary	7.50	13.33
	Others	Fellow Subsidiary	0.63	-
	Others	Joint Ventures	1.03	1.81
	Others	Joint Ventures of Subsidiaries	0.03	-
Trade Receivables	Hathway Dattatray Cable Network Private Limited	Joint Venture	2.41	5.80
	Others	Associate	1.78	1.78
	Others	Joint Ventures	10.37	9.38
	Others	Joint Ventures of Subsidiaries	2.16	2.43
	IndiaCast Media Distribution Private Limited	Fellow Subsidiary	6.19	5.55
	Others	Associate of Fellow Subsidiary	0.71	1.69
	Others	Fellow Subsidiary	0.12	-
	Others	Entity exercising control	0.01	-
	TV18 Broadcast Limited	Fellow Subsidiary	1.48	0.75
Unbilled Revenue	Hathway CCN Multinet Private Limited	Joint Venture of Subsidiary	-	0.67
	Others	Joint Ventures	0.66	0.77
	Others	Joint Ventures of Subsidiaries	0.03	0.47
Other Financial Liability	Hathway SS Cable & Datacom - LLP	Joint Venture	2.33	2.94
Security Deposits (Received)	Others	Joint Venture	0.02	0.02
Security Deposits (Given)	Mr. Viren R Raheja	Key Management Personnel	1.84	1.84
	Mr. Akshay R Raheja	Key Management Personnel	1.84	1.84

\* Amount less than ₹ 50,000

The Company has given Corporate financial Guarantees of ₹ 20 (March 31, 2020 ₹ 20) on behalf of GTPL Hathway Limited. The Company has given Letter of Comfort of ₹ Nil (March 31, 2020: ₹ 7.46) to Banks towards various credit facilities extended by them to related parties.

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 4.10 INTEREST IN OTHER ENTITIES

### a) Subsidiaries

The Group's subsidiaries at March 31, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Subsidiary	Principal Activity	Place of Incorporation & Operation	Proportion of ownership interest and voting power held by them	
			March 31, 2021	March 31, 2020
Hathway New Concept Cable & Datacom Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway Software Developers Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway Bhawani Cabletel & Datacom Limited	Cable Television network Services	India	51.60%	51.60%
Hathway Digital Limited	Cable Television network Services	India	100.00%	100.00%
Hathway Broadband Limited*	Internet Service Provider	India	100.00%	100.00%
Hathway Krishna Cable Limited*	Cable Television network Services	India	100.00%	100.00%
Bee Network and Communication Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway Nashik Cable Network Private Limited	Cable Television network Services	India	90.06%	90.06%
Hathway Kokan Crystal Cable Network Limited	Cable Television network Services	India	96.36%	96.36%
Hathway Cnet Limited*	Cable Television network Services	India	100.00%	100.00%
Channels India Network Private Limited	Cable Television network Services	India	95.63%	95.63%
Hathway Enjoy Cable Network Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway JMD Farukhabad Cable Network Limited*	Cable Television network Services	India	100.00%	100.00%
Chennai Cable Vision Network Private Limited	Cable Television network Services	India	75.99%	75.99%
Hathway Media Vision Limited*	Cable Television network Services	India	100.00%	100.00%
Elite Cable Network Private Limited	Cable Television network Services	India	80.00%	80.00%
Hathway United Cables Limited*	Cable Television network Services	India	100.00%	100.00%
UTN Cable Communications Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway Space Vision Cabletel Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway Gwalior Cable & Datacom Limited*	Cable Television network Services	India	100.00%	100.00%
Ideal Cables Limited*	Cable Television network Services	India	100.00%	100.00%
Binary Technology Transfers Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway Internet Satellite Limited*	Cable Television network Services	India	100.00%	100.00%
ITV Interactive Media Limited*	Cable Television network Services	India	100.00%	100.00%
Liberty Media Vision Limited*	Cable Television network Services	India	100.00%	100.00%
Vision India Network Limited*	Cable Television network Services	India	100.00%	100.00%
Win Cable & Datacom Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway Mysore Cable Network Limited*	Cable Television network Services	India	100.00%	100.00%
Hathway Mantra Cable & Datacom Limited	Cable Television network Services	India	100.00%	100.00%
Hathway Digital Saharanpur Cable & Datacom Limited (w.e.f. Decemehr 15, 2020)**	Cable Television network Services	India	100.00%	0.00%

\* subsidiary upto March 09, 2021 and step down subsidiary with effect from March 10, 2021

\*\* joint venture upto December 15, 2020, subsidiary till March 09, 2021 and step down subsidiary with effect from March 10, 2021

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### b) Non-controlling interests

The Group doesn't have any material subsidiary warranting a disclosure in respect of individual subsidiaries.

### c) Interest in Joint Ventures and Associates

#### Details of joint ventures

Name of Joint ventures	March 31, 2021		March 31, 2020	
	Proportion of ownership interest and voting power held by them	Amount	Proportion of ownership interest and voting power held by them	Amount
Hathway Cable MCN Nanded Private Limited	45.05%	0.82	45.05%	0.46
Hathway ICE Television Private Limited	51.00%	-	51.00%	-
Hathway Latur MCN Cable & Datacom Private Limited	51.00%	0.04	51.00%	-
Hathway Sai Star Cable & Datacom Private Limited	51.00%	9.22	51.00%	10.89
Hathway Sonali OM Crystal Cable Private Limited (Refer Note 4.17)	68.00%	0.91	68.00%	1.10
Net 9 Online Hathway Private Limited (Upto March 18, 2021)	0.00%	-	50.00%	3.07
Hathway Palampur Cable Network Private Limited (Upto February 11, 2021)	0.00%	-	51.00%	-
Hathway Prime Cable & Datacom Private Limited	51.00%	-	51.00%	-
Hathway MCN Private Limited	51.00%	6.53	51.00%	5.40
Hathway SS Cable & Datacom LLP	51.00%	0.12	51.00%	-
Hathway Digital Saharanpur Cable & Datacom Limited (Upto December 15, 2020)	0.00%	-	51.00%	-
Hathway Channel 5 Cable & Datacom Private Limited	51.00%	-	51.00%	-
Hathway Dattatray Cable Network Private Limited	51.00%	-	51.00%	-
Hathway CBN Multinet Private Limited (Joint venture of Subsidiary)	51.00%	1.21	51.00%	1.30
Hathway CCN Entertainment (India) Private Limited (Joint venture of Subsidiary)	51.00%	4.32	51.00%	4.03
Hathway CCN Multinet Private Limited (Joint venture of Subsidiary)	51.00%	6.79	51.00%	6.99
Hathway Bhaskar CCN Multi Entertainment Private Limited (Joint venture of Subsidiary)	70.00%	-	70.00%	-
Hathway Bhawani NDS Network Limited (Joint venture of Subsidiary)	51.00%	0.33	51.00%	0.33

Place of Incorporation and Operation of all the joint ventures is in India only

Except for Net 9 Online Hathway Private Limited, the principal activity of joint ventures is Cable Television network services

The principal activity of Net 9 Online Hathway Private Limited is Internet Service provider

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### Details of Associates

Name of Associates	March 31, 2021		March 31, 2020	
	Proportion of ownership interest and voting power held by them	Carrying Amount	Proportion of ownership interest and voting power held by them	Carrying Amount
GTPL Hathway Limited *	37.32%	690.00	37.32%	632.27
Hathway VCN Cablenet Private Limited	25.03%	0.28	25.03%	-
Pan Cable Services Private Limited (Refer Note 4.17)	33.33%	-	33.33%	-

Place of Incorporation and Operation of all the associates is in India only. The principal activity of all the associates is Cable Television network services except for GTPL Hathway Limited, which is engaged in activities of Cable Television network and Internet services

\* Quoted fair value as on March 31, 2021: ₹ 498.22 (As on March 31, 2020: ₹ 171.04)

### Information of associate that is material to the Group

GTPL Hathway Limited is the associate of the Group as at March 31, 2021 which, in the opinion of the directors, are material to the Group.

### Share in Contingent liabilities of GTPL Hathway Limited:

- 1 GTPL Broadband Private Limited (GBPL), one of subsidiary Company of our associate GTPL Hathway Ltd, has been granted Unified License from Ministry of Communications & IT, under Government of India, under which GBPL is required to pay an annual license fee at the rate of 8% of the its adjusted gross revenue. The Company along with others has filed a petition (petition no. 655 of 2015) under sections 14 and 14A of the TRAI Act against the DoT before the Telecom Dispute Settlement Appellate Tribunal (TDSAT). It was averred that the unified ISP license policy arbitrarily distinguished between existing ISP licenses required to be renewed and existing ISP licenses not requiring renewal for the near future. Further, it was averred that the inclusion of revenue from 'pure internet services' in the adjusted gross revenue for the computation of license fees under DoT's new unified ISP license policy was contrary to the order dated October 12, 2012 of the TDSAT (in petition No. 429 of 2012). TDSAT vide its order dated December 10, 2015 (TDSAT Order) has granted stay with respect to the matter filed by the Company. Further, GBPL has also filed petition with the TDSAT on inclusion of revenue from 'pure internet services' in the adjusted gross revenue for the computation of license fees (petition no. 193 of 2018). TDSAT has under the said petition directed DoT to not to take any coercive action against GBPL subject to GBPL submitting an undertaking to TDSAT stating that it shall pay full amount of the license fees with interest if finally the matter is decided against GBPL. On the basis of the TDSAT Order, the license fee till March 31, 2021 works out to ₹ 63.95 (Group share= ₹ 23.87) (8% of ₹ 799.41 adjusted gross revenue). while for the period March 31, 2020, ₹ 43.55 (Group share= ₹ 16.25) (8% of ₹ 544.39 adjusted gross revenue) has been considered to be contingent in nature.
- 2 A shareholder of GTPL Kolkata Cable & Broadband Pariseva Limited (GTPL KCBPL), one of the subsidiary company of our associate GTPL Hathway Ltd offered to sale his 30,000 share to GTPL KCBPL (buy back), price offered by GTPL KCBPL was not accepted by him hence the matter was then referred to Company Law Board, whereby Board appointed valuer. Valuation finalized by Company Law Board was not accepted by GTPL KCBPL, hence, petition was filed with High Court against Board's order. Value was finalized by valuer of High Court at ₹ 2.48 (₹ 825/- per share). Hence, petition was filed in Supreme Court against order passed by high court. Supreme Court agreed to hear petition on a condition that "GTPL KCBPL to deposit ₹ 2.00 in cash & ₹ 0.48 (Group share= ₹ 0.93) as bank guarantee with registrar of court". Hence, GTPL KCBPL has paid ₹ 2.48 (Group share= ₹ 0.93) as guarantee with Registrar. Supreme Court has redirected the matter to the High Court and petition is yet to be heard in High Court.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

- 3 The Department of Telecommunications, Ministry of Communications, Government of India ("DoT") has raised demand on the GTPL Hathway Limited (GTPL) consisting of Principal amount of ₹ 228.65 (Group share= ₹ 85.33) and interest, penalty and interest on penalty (as of January 15, 2020) of ₹ 706.88 (Group share= ₹ 263.81) towards license fee in respect of the GTPL's Internet Services Provider's License (ISP). GTPL, in line with the observations made by the Supreme Court in its final order dated June 18, 2020, has made representations to DoT against said notice, which DoT has taken on record. Basis its assessment of the legal position on the matter coupled with observations made by the Supreme Court in Its order dated June 18, 2020 in the matter of Union of India v/s AUSPI & Ors. bearing C.A. Nos.6328 – 6399 & based on the opinion of legal experts, GTPL is confident that it has good grounds on merit to defend itself in this matter. Accordingly, GTPL is of the view that no provision is necessary in respect of the aforesaid matter in the financial statements.

- 4 Claims against the Company not acknowledged as debt: (Group's Share)

Particulars	March 31, 2021	March 31, 2020
Income Tax Matters	7.23	3.24
Sales-Tax/VAT Matters	3.05	3.93
Entertainment Tax Matters	2.63	2.63
Custom Duty Matters	17.32	17.32
Services Tax Matters	12.78	7.24
ESIC Matters	0.12	0.12

### Summarised financial information for Associate

The tables below provide summarised financial information for an Associate that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of such associate and not parent's share of those amounts.

### Summarised balance sheet

Particulars	GTPL Hathway Limited	
	March 31, 2021	March 31, 2020
<b>Current assets</b>		
Cash and cash equivalents	86.53	76.95
Other assets	647.35	565.97
<b>Total Current assets</b>	<b>733.88</b>	<b>642.92</b>
<b>Total Non current assets</b>	<b>1,618.84</b>	<b>1,541.03</b>
<b>Current liabilities</b>		
Financial Liabilities	943.62	844.60
Other liabilities	359.14	378.01
<b>Total current liabilities</b>	<b>1,302.76</b>	<b>1,222.61</b>
<b>Non current liabilities</b>		
Financial Liabilities	31.25	83.69
Other liabilities	138.57	149.34
<b>Total Non current liabilities</b>	<b>169.82</b>	<b>233.03</b>
<b>Net assets</b>	<b>880.14</b>	<b>728.30</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## Summarised statement of profit and loss

Particulars	GTPL Hathway Limited	
	March 31, 2021	March 31, 2020
Revenue	2,467.00	2,384.08
Interest Income	4.90	4.37
Depreciation & amortisation	260.43	231.74
Interest expense	23.03	44.95
Income Tax expense	77.50	69.80
<b>Profit or (loss) for the year</b>	<b>210.40</b>	<b>87.72</b>
<b>Other Comprehensive income or (loss) for the year</b>	<b>0.38</b>	<b>(0.67)</b>
<b>Total Comprehensive Income or (loss) for the year</b>	<b>210.78</b>	<b>87.05</b>
<b>Dividend received</b>	<b>12.59</b>	<b>4.20</b>

## d) Individually immaterial Joint ventures and Associates

Commitments and Contingent liabilities in respect of immaterial Joint ventures and Associates

Particulars	March 31, 2021	March 31, 2020
Capital and Other commitments		
Share of capital commitment in Joint Venture	-	-
Bank Guarantees		
Share in Joint Venture	-	-
Contingent liabilities		
Share in Associates' contingent liabilities	-	-
Share in Joint Ventures' contingent liabilities in respect of Income Tax matter under appeal, VAT/CST, excise and service tax claims not acknowledged as debts	-	0.19

Particulars	March 31, 2021	March 31, 2020
<b>Aggregate carrying amount of individually immaterial Joint ventures and Associates</b>	<b>30.15</b>	<b>33.57</b>
<b>Aggregate amounts of the group's share of:</b>		
Profit/(loss) from continuing operations	4.73	3.64
Post-tax profit or loss from discontinued operations	-	-
Other comprehensive income	0.00*	(0.01)
<b>Total comprehensive income</b>	<b>4.73</b>	<b>3.63</b>

Particulars	March 31, 2021	March 31, 2020
Share of profits/ (losses) from Joint Venture	4.45	2.40
Share of profits /(losses) from Subsidiary's Joint Ventures	0.00*	1.23
Share of profits/ (losses) from Associate	0.28	-
<b>Total share of profits / (losses) from Joint Ventures and Associates</b>	<b>4.73</b>	<b>3.63</b>

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### Unrecognised share of loss of associates

Particulars	March 31, 2021	March 31, 2020
Unrecognised share of loss for the year of associates	-	0.00*
Cumulative unrecognised share of loss of associates	(2.33)	(2.33)

\* Amount less than ₹ 50,000

### e) Summary of carrying amount of Group's interest in associates and joint ventures accounted using equity method

Particulars	March 31, 2021	March 31, 2020
Carrying amount of material associate	690.00	632.27
Carrying amount of immaterial associates	0.28	-
Carrying amount of material joint ventures	-	-
Carrying amount of immaterial joint ventures	30.15	33.57
<b>Total</b>	<b>720.42</b>	<b>665.84</b>

Aggregate amount of impairment in carrying amount of investment 7.26 7.26

### f) Reconciliation of Net Assets considered for Consolidated financial statement to Group's share in Net Assets as per Associates' and Joint ventures' financial statements

Particulars	March 31, 2021	March 31, 2020
<b>Group's share in Net Assets of Associates' and Joint ventures as per Entity's Financials</b>	<b>345.61</b>	<b>284.48</b>
<b>Add/ (Less): Consolidation adjustment</b>		
(i) Goodwill on consolidation	98.18	100.62
(ii) Fair value of Investments and Others	329.41	333.71
(iii) Change in stake	(52.78)	(52.97)
<b>Net Asset as per Consolidated Financials</b>	<b>720.42</b>	<b>665.84</b>

### 4.11 Goodwill On Consolidation comprises of:

Particulars	March 31, 2021	March 31, 2020
Goodwill on Consolidation	86.26	86.26
Less: Capital Reserve on Consolidation	(1.87)	(1.87)
<b>Net Goodwill on Consolidation</b>	<b>84.39</b>	<b>84.39</b>

### 4.12 Revenue from contract with customers

Management conclude that disaggregation of revenue disclosed in Ind AS 108 meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

#### Contract Balances

The Group 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 Consolidated Balance Sheet.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

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

Particulars	March 31, 2021	March 31, 2020
Receivables, which are included in 'Trade and other receivables'	5.52	29.33
Contract assets	-	-
Contract liabilities (Unearned revenue)	81.43	83.29

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

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
<b>Balance at the beginning of the year</b>	-	83.29	-	87.77
Advance Income received from the customer during the year	-	81.43	-	83.29
Revenue recognized that is included in the contract assets balance at the beginning of the year	-	83.29	-	87.77
<b>Balance at the end of the year</b>	-	81.43	-	83.29

### Performance Obligations And Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performances as the performance obligations relates to contracts that have an original expected duration of one year or less.

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

### Contract costs

The group incurred cost of ₹ 39.22 (March 2020: ₹ 36.94) during the year as a result of obtaining customers. The group has therefore capitalised them as customer acquisition costs.

Customer acquisition costs are amortised over the period of five years.

## 4.13 Leases

### (a) Lessee

Short term leases accounted in the Statement of Profit and Loss for the Financial Year 2020-21 is ₹ 46.41 (March 2020: ₹ 45.77).

The Group's significant leasing arrangements in terms of Ind AS 116 on lease are in respect of Leases for Premises and Equipments. Some of these lease arrangements have price escalation clauses. The period of these leasing arrangements, range between eleven months to nine years and are renewable by mutual consent.

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

### 4.14 Segment Information

The Group reportable segments under Ind AS 108 are Broadband Business and Cable Television.

#### Segment Revenue and Results:

The following is an analysis of the Group's revenue and results from continuing operations by reportable segments.

Particulars	Segment Revenue For the Year ended March 31, 2021	Segment Results For the Year ended March 31, 2021	Segment Revenue For the Year ended March 31, 2020	Segment Results For the Year ended March 31, 2020
Broadband Business (a)	615.43	45.67	567.69	(20.54)
Cable Television (b)	1,116.34	59.46	1,230.71	84.77
(a+b)	1,731.77	105.13	1,798.39	64.23
Less: Inter Segment revenue	-	-	-	-
<b>Total</b>	<b>1,731.77</b>	<b>105.13</b>	<b>1,798.39</b>	<b>64.23</b>
Add: Other un-allocable income net of un-allocable expenditure		136.03		239.06
Add: Share of profit/ (loss) of associates and joint ventures		74.93		32.65
Less: Finance Costs		37.48		226.37
		<b>278.61</b>		<b>109.57</b>

#### Segment Assets & Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Segment Assets</b>		
Broadband Business (a)	1,244.43	3,988.41
Cable Television (b)	858.34	863.09
Total Segment Assets (a)+(b)	2,102.77	4,851.50
Unallocable	2,416.31	1,519.95
<b>Consolidated Total Assets</b>	<b>4,519.08</b>	<b>6,371.45</b>
<b>Segment Liabilities</b>		
Broadband Business (a)	219.37	1,135.57
Cable Television (b)	299.07	1,420.11
Total Segment Liabilities (a)+(b)	518.44	2,555.69
Unallocable	4.13	72.61
<b>Consolidated Total Liabilities</b>	<b>522.57</b>	<b>2,628.30</b>

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## Other Segment Information

Particulars	As at March 31, 2021			As at March 31, 2020		
	Broadband Business	Cable Television	Total	Broadband Business	Cable Television	Total
<b>Capital Expenditure</b>						
Additions to Property, Plant & Equipment	152.82	188.55	341.37	159.83	96.55	256.38
Additions to Intangible assets	42.82	32.28	75.10	39.28	19.84	59.12
<b>Material Non Cash items:</b>						
Depreciation	115.88	126.32	242.20	92.29	142.12	234.41
Amortisation	24.86	20.07	44.93	16.89	21.57	38.46
Impairment during the year of Property, Plant and Equipment / Intangibles	29.65	54.40	84.05	43.02	55.21	98.23
Allowance for Doubtful Advances / impairment in value of Investments / Impairment of trade receivables from Entities Under/ Joint Control and other	0.66	4.59	5.25	5.92	0.77	6.69
Impairment / (Reversal) on trade receivables during the year	(0.58)	4.73	4.15	3.03	86.26	89.29

## Information about Products and Services

### Revenue from external customers (Disaggregation of revenue from contracts with customers)

Product/ Service	As at March 31, 2021			As at March 31, 2020		
	Broadband Business	Cable Television	Total	Broadband Business	Cable Television	Total
Subscription Income	611.75	737.85	1,349.61	564.07	871.55	1,435.62
Marketing and Promotional Income	-	223.73	223.73	-	219.39	219.39
Broadcaster's Incentive Income	-	55.70	55.70	-	73.33	73.33
Activation Income (Set top Boxes)	-	52.63	52.63	-	59.50	59.50
Other Operating Revenues	3.68	46.43	50.11	3.61	6.94	10.55

## Information about Geographical Areas

Since the group is domiciled in India and caters to domestic customers only, the disclosure requirements of information on geographical areas is not given.

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

## 4.15 Additional information as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries, Joint ventures and Associates

March 31, 2021:

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>	43.29%	1,730.59	44.14%	111.55	37.04%	0.23	44.12%	111.78
<b>Subsidiaries (Group's share)</b>								
<b>Indian</b>								
Hathway Bhawani Cabletel & Datacom Limited*	-0.00%	(0.10)	-0.34%	(0.86)	0.53%	0.00	-0.34%	(0.86)
Hathway Digital Limited*	39.87%	1,593.99	29.06%	73.46	28.29%	0.17	29.06%	73.63
Hathway Nashik Cable Network Private Limited	-0.26%	(10.33)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Hathway Kokan Crystal Cable Network Limited	-0.06%	(2.34)	-0.33%	(0.84)	11.41%	0.07	-0.30%	(0.77)
Channels India Network Private Limited	-0.03%	(1.32)	0.00%	-	0.00%	-	0.00%	-
Chennai Cable Vision Network Private Limited	-0.05%	(1.99)	0.00%	-	0.00%	-	0.00%	-
Elite Cable Network Private Limited	-0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-
Hathway Mantra Cable and Datacom Limited	-0.44%	(17.68)	-2.18%	(5.50)	0.00%	-	-2.17%	(5.50)
<b>Non-controlling interests in all subsidiaries</b>	0.04%	1.43	0.00%		0.00%		0.00%	
<b>Indian</b>								
<b>Joint ventures (Investment as per equity method)</b>								
Hathway Cable MCN Nanded Private Limited	0.02%	0.80	0.14%	0.36	0.00%	-	0.14%	0.36
Hathway ICE Television Private Limited	-0.02%	(0.60)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Hathway Latur MCN Cable and Datacom Private Limited	0.00%	0.02	0.08%	0.21	0.00%	-	0.08%	0.21
Hathway Sai Star Cable and Datacom Private Limited	0.23%	9.17	-0.66%	(1.68)	0.00%	-	-0.66%	(1.68)
Hathway Sonali OM Crystal Cable Private Limited (Refer Note 4.17)	0.02%	0.91	-0.07%	(0.19)	0.00%	-	-0.07%	(0.19)
Net 9 Online Hathway Private Limited	0.00%	-	-0.07%	(0.17)	0.00%	-	-0.07%	(0.17)
Hathway Palampur Cable Network Private Limited	0.00%	-	0.16%	0.39	0.00%	-	0.16%	0.39
Hathway Prime Cable and Datacom Private Limited	-0.00%	(0.18)	0.00%	-	0.00%	-	0.00%	-
Hathway MCN Private Limited	0.16%	6.47	0.45%	1.13	0.43%	0.00	0.45%	1.13
Hathway SS Cable & Datacom LLP	0.00%	0.11	0.24%	0.61	0.00%	-	0.24%	0.61
Hathway Digital Saharanpur Cable and Datacom Limited	0.00%	-	0.65%	1.65	0.00%	-	0.65%	1.65
Hathway Channel 5 Cable and Datacom Private Limited	-0.01%	(0.34)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Hathway Dattatray Cable Network Private Limited	-0.02%	(0.94)	0.84%	2.13	0.00%	-	0.84%	2.13

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Associate (Investment as per equity method)</b>								
<b>Indian</b>								
Hathway VCN Cablenet Private Limited	0.01%	0.28	0.11%	0.28	0.00%	-	0.11%	0.28
Pan Cable Services Private Limited (Refer Note 4.17)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
GTPL Hathway Limited*	17.26%	689.99	27.78%	70.20	22.30%	0.14	27.76%	70.34
<b>Total</b>	<b>100%</b>	<b>3,997.94</b>	<b>100%</b>	<b>252.73</b>	<b>100%</b>	<b>0.62</b>	<b>100%</b>	<b>253.35</b>

\* Based on consolidated financial statement of the respective entities

### March 31, 2020:

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>	90.09%	3,372.91	4.83%	5.01	-344.68%	0.04	4.87%	5.05
<b>Subsidiaries (Group's share)</b>								
<b>Indian</b>								
Hathway Bhawani Cabletel & Datacom Limited*	-0.02%	(0.65)	2.87%	2.98	232.38%	(0.03)	2.85%	2.95
Hathway Digital Private Limited *	-3.52%	(131.75)	33.20%	34.43	70.31%	(0.01)	33.19%	34.43
Hathway Broadband Private Limited	0.09%	3.38	0.07%	0.07	0.00%	-	0.07%	0.07
Hathway Krishna Cable Private Limited	-0.39%	(14.59)	8.59%	8.91	0.00%	-	8.59%	8.91
Bee Network and Communication Private Limited	-0.04%	(1.34)	0.00%	-	0.00%	-	0.00%	-
Hathway Nashik Cable Network Private Limited	-0.28%	(10.33)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Hathway Kokan Crystal Cable Network Private Limited	-0.07%	(2.52)	-0.30%	(0.32)	-2329.39%	0.26	-0.06%	(0.06)
Hathway Cnet Private Limited	-0.01%	(0.43)	0.00%	0.00	0.00%	-	0.00%	0.00
Channels India Network Private Limited	-0.04%	(1.32)	0.00%	-	0.00%	-	0.00%	-
Hathway Enjoy Cable Network Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
Hathway JMD Farukhabad Cable Network Private Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Chennai Cable Vision Network Private Limited	-0.05%	(1.99)	0.00%	-	0.00%	-	0.00%	-
Hathway Media Vision Private Limited	-0.10%	(3.67)	-1.39%	(1.44)	0.00%	-	-1.39%	(1.44)
Elite Cable Network Private Limited	-0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-
Hathway United Cables Private Limited	-0.00%	(0.16)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
UTN Cable Communications Private Limited	-0.62%	(23.27)	7.17%	7.44	0.00%	-	7.17%	7.44
Hathway Space Vision Cabletel Private Limited	-0.03%	(1.04)	0.00%	-	0.00%	-	0.00%	-
Hathway Gwalior Cable and Datacom Private Limited	-0.02%	(0.58)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)

# Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Ideal Cables Private Limited	-0.02%	(0.78)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Binary Technology Transfers Private Limited	-0.04%	(1.64)	0.00%	-	0.00%	-	0.00%	-
Hathway Internet Satellite Private Limited	-0.04%	(1.63)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
ITV Interactive Media Private Limited	-0.01%	(0.42)	0.00%	-	0.00%	-	0.00%	-
Liberty Media Vision Private Limited	-0.06%	(2.27)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Vision India Network Private Limited	-0.06%	(2.06)	0.00%	-	0.00%	-	0.00%	-
Win Cable & Datacom Private Limited	-0.53%	(19.70)	-0.14%	(0.15)	0.00%	-	-0.14%	(0.15)
Hathway Mantra Cable and Datacom Private Limited	-0.50%	(18.56)	4.99%	5.17	0.00%	-	4.99%	5.17
Hathway New Concept Cable and Datacom Private Limited	-0.09%	(3.36)	0.57%	0.59	0.00%	-	0.57%	0.59
Hathway Software Developers Private Limited	-0.39%	(14.74)	3.44%	3.56	0.00%	-	3.44%	3.56
Hathway Mysore Cable Network Private Limited	-0.53%	(19.76)	5.83%	6.04	0.00%	-	5.83%	6.04
<b>Non-controlling interests in all subsidiaries</b>	0.02%	0.90	0.00%	-	0.00%	-	0.00%	-
<b>Indian</b>								
<b>Joint ventures (Investment as per equity method)</b>								
Hathway Cable MCN Nanded Private Limited	0.01%	0.46	0.16%	0.16	0.00%	-	0.16%	0.16
Hathway ICE Television Private Limited	-0.02%	(0.60)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Hathway Latur MCN Cable and Datacom Private Limited	-0.00%	(0.17)	-0.08%	(0.08)	0.00%	-	-0.08%	(0.08)
Hathway Sai Star Cable and Datacom Private Limited	0.29%	10.89	0.07%	0.07	0.00%	-	0.07%	0.07
Hathway Sonali OM Crystal Cable Private Limited (Refer Note 4.17)	0.03%	1.10	1.06%	1.10	0.00%	-	1.06%	1.10
Net 9 Online Hathway Private Limited	0.08%	3.07	0.03%	0.03	0.00%	-	0.03%	0.03
Hathway Palampur Cable Network Private Limited	0.00%	-	-0.06%	(0.07)	0.00%	-	-0.06%	(0.07)
Hathway Prime Cable and Datacom Private Limited	-0.00%	(0.18)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Hathway MCN Private Limited	0.14%	5.40	0.96%	1.00	83.51%	(0.01)	0.95%	0.99
Hathway SS Cable & Datacom LLP	-0.01%	(0.49)	-0.14%	(0.14)	0.00%	-	-0.14%	(0.14)
Hathway Digital Saharanpur Cable and Datacom Pvt Ltd	-0.08%	(2.96)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Hathway Channel 5 Cable and Datacom Private Limited	-0.01%	(0.34)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
Hathway Dattatray Cable Network Private Limited	-0.08%	(3.03)	0.33%	0.34	0.00%	-	0.33%	0.34
<b>Associate (Investment as per equity method)</b>								
<b>Indian</b>								
Hathway VCN Cablenet Private Limited	0.00%	0.00	0.00%	0.00	0.00%	-	0.00%	-
Pan Cable Services Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
GTPL Hathway Limited *	16.89%	632.27	27.97%	29.01	2387.87%	(0.26)	27.72%	28.75
<b>Total</b>	<b>100%</b>	<b>3,744.05</b>	<b>100%</b>	<b>103.73</b>	<b>100%</b>	<b>(0.01)</b>	<b>100%</b>	<b>103.72</b>

\* Based on consolidated financial statement of the respective entities

# Notes

## to the Consolidated Financial Statements for the year ended March 31, 2021

(₹ in crores unless otherwise stated)

**4.16** The Board at its meeting held on February 17, 2020, had approved the Composite Scheme of Amalgamation and Arrangement between the Company, Den Networks Limited, TV18 Broadcast Limited, Network18 Media & Investments Limited, Media18 Distribution Services Limited, Web18 Digital Services Limited and Digital18 Media Limited and their respective Shareholders and Creditors ("Composite Scheme").

In accordance with the provisions of Regulation 37 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Composite Scheme was filed with both BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") for obtaining no-objection letter from them.

The stock exchanges had returned the Scheme stating that the Company may apply to the stock exchanges once the Scheme is in compliance with SEBI circulars / SEBI Regulations relating to Minimum Public Shareholding ("MPS") requirement.

Considering that more than a year has passed from the time the Board considered the Scheme, the Board of the Company has decided not to proceed with the arrangement envisaged in the Scheme.

### **4.17 Note on Consolidation of Joint Venture and Associates based on management accounts**

#### **Financial Year 2020-2021**

The Company holds 68% in one of its joint venture namely Hathway Sonali Om Crystal Cable Pvt Ltd and holds 33% in one of its associate namely Pan Cable Services Private Limited. In the absence of availability of the Audited financials for the purposes of consolidation, Consolidated Financial Statement for the financial year ended as at March 31, 2021 was prepared by considering the Management Accounts of these joint venture and associate.

#### **Financial Year 2019-2020**

The Company holds 68% in one of its joint venture namely Hathway Sonali Om Crystal Cable Pvt Ltd. In the absence of availability of the Audited financials for the purposes of consolidation, Consolidated Financial Statement for the financial year ended as at March 31, 2020 was prepared by considering the Management Accounts of this joint venture.

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

As per our report of even date

**For Nayan Parikh & Co.**

Chartered Accountants

Firm's Registration No: 107023W

**K.Y.Narayana**

Partner

Membership No: 060639

**Sitendu Nagchaudhuri**

Chief Financial Officer

**Ajay Singh**

Head Corporate Legal, Company  
Secretary & Chief Compliance Officer  
Membership No: F - 5189

**For and on behalf of the Board**

**Rajan Gupta**

Managing Director

**Saurabh Sancheti**

**Anuj Jain**

**Geeta Fulwadaya**

**Akshay Raheja**

**Viren Raheja**

Non-Executive Director

**Sridhar Gorthi**

Chairman and Independent Director

**Sasha Mirchandani**

**Ameeta Parpia**

Independent Director

Place: Mumbai

Date: April 28, 2021

Date: April 28, 2021





[www.hathway.com](http://www.hathway.com)

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