

# G. M. KAPADIA & CO.

(REGISTERED)

## CHARTERED ACCOUNTANTS

E-22, GREATER KAILASH PART - 1, NEW DELHI - 110 048, INDIA

PHONE : (91-11) 2924 1327, 4108 2273

### INDEPENDENT AUDITOR'S REPORT

#### To the Members of Hathway New Concept Cable & Datacomm Private Limited Report on the Financial Statements

##### Opinion

We have audited the financial statements of **Hathway New Concept Cable & Datacomm Private Limited** (the Company), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and its loss, changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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



### Other Information

The Company's Board of Directors is responsible for the Other Information. The Other Information *inter alia* comprises of the Directors' Report, Management Discussion & Analysis and Chairman's statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this report, and the rest of the Annual Report is expected to be made available to us after that date

Our opinion on the financial statements does not cover the Other Information and we do not and will not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the Other Information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

When we read the balance part of Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take appropriate actions in accordance with Standards on Auditing.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read together with relevant rules issued there under and relevant provisions of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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





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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), , issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 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, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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"; and
  - g) Since the Company is a private limited company, the provisions of section 197 of the Act are not applicable. Accordingly, no reporting is required 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; 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:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 4.03 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amount required to be transferred to the Investor Education and Protection Fund by the Company.

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

Chartered Accountants

Firm Registration No. 104767W



A handwritten signature in black ink, appearing to read "Abhishek Singh".

**Abhishek Singh**

Partner

Membership No. 407549

New Delhi

Dated:

02 APR 2019

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

**Re: Hathway New Concept Cable & Datacom Private Limited**

Referred to in paragraph 1 under "Report on Other Legal & Regulatory Requirements" of our report on even date to the members of the Company on financial statements for the year ended March 31, 2019:

- (i) (a) The Company has compiled information of Property, Plant and Equipment showing particulars of assets including quantitative details and location except in case of certain types of distribution equipments like cabling, line equipments and other like equipment. In view of the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;
- (b) According to the information and explanations given to us the property, plant and equipment are physically verified by the management, except distribution equipment like cabling and line equipment. In our opinion, frequency and procedure of verification of distribution equipment requires strengthening considering the size of the Company and nature of assets. We are informed that no material discrepancies were noticed on physical verification of other property, plant and equipment by the management.;
- (c) The Company does not hold any immovable properties. Accordingly, the paragraph 3(i)(c) of the Order regarding title deeds of immovable properties is not applicable;
- (ii) The Company did not have any inventories of finished goods, stores, spare parts and raw materials, therefore clause 3(ii) of the Order, regarding physical verification of inventory at reasonable intervals and regarding material discrepancies on physical verification are not applicable to the company.;
- (iii) The Company has not granted any secured or unsecured loans to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequentially sub-clause (a), (b) & (c) of clause 3(iii) of the Order are not applicable to the Company.
- (iv) Based on the audit procedures applied by us, during the year under audit, the Company has not granted loans, guarantee and security or made investments 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;
- (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 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;
- (vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for services rendered by the Company;



- (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 services 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, 2019, for a period of more than six months from the date they became payable;
- (b) Based on our audit procedure and according to the information and explanations given to us there are no dues payable by the Company on account of any dispute in case of income tax, service tax, goods & services tax and other statutory dues as applicable as on 31<sup>st</sup> March, 2019, except for the Income-tax reported as under:

(Amount in Rupees)

Name of Statute	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income-tax and interest thereon	2,35,250	FY 12-13	Income-Tax Officer -ITO-16(1)(2) Mumbai

- (viii) Based on our audit procedure and according to the information and explanations given to us, The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year, therefore question of defaulting in repayment of dues of any financial institution or banks during the year does not arise;
- (ix) In our opinion and according to the information and explanations given to us and based on overall examination of records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, therefore, clause 3(ix) of the Order is not applicable;
- (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) The Company has not paid or provided for any managerial remuneration during the year and therefore requisite approval mandated by the provisions of section 197 read with Schedule V to the Act does not arise;
- (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, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;





- (xiv) Based on our audit procedures performed and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company;
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements, the Company has not entered into any non-cash transactions with directors. 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 G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No. 104767W



A handwritten signature in black ink, appearing to read "Abhishek Singh".

**Abhishek Singh**

Partner

Membership No. 407549

New Delhi

Dated:

02 APR 2019

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

**The Annexure referred to in Paragraph 2(f) under "Other Legal and Regulatory Requirements" of our report of even date, on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the the Act**

We have audited the internal financial controls with reference to financial statements of the **Hathway New Concept Cable & Datacom Private Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal 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 Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls 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.

### Opinion

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, 2019 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.

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

Chartered Accountants

Firm Registration No. 104767W



A handwritten signature in black ink, appearing to read "Abhishek Singh".

**Abhishek Singh**

Partner

Membership No. 407549

New Delhi

Dated:

02 APR 2019

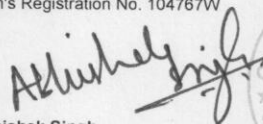
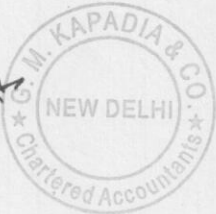
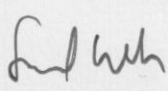
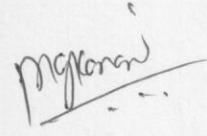


**HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED**

CIN U72900MH2000PTC129837

**BALANCE SHEET AS AT MARCH 31, 2019**

(All Amounts are Rupees in Lakhs unless otherwise stated)

Particulars	Note No.	As at	
		March 31, 2019	March 31, 2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2.01	267.16	335.47
(b) Goodwill	2.02	478.29	478.29
(c) Financial Assets			
Trade Receivables	2.03	-	-
Loans	2.04	0.64	0.60
Other Financial Assets	2.05	3.05	2.67
(d) Deferred Tax Assets (Net)	2.06	-	-
(e) Other Non-Current Assets	2.08	61.46	55.96
<b>Total Non-Current Assets</b>		<b>810.60</b>	<b>873.19</b>
<b>Current Assets</b>			
(a) Financial Assets			
Trade Receivables	2.03	154.67	188.77
Cash and Cash Equivalents	2.09	89.71	19.27
Other Financial Assets	2.05	11.39	10.72
(b) Current Tax Assets (Net)	2.07	17.25	22.75
(c) Other Current Assets	2.08	23.52	26.86
<b>Total Current Assets</b>		<b>296.54</b>	<b>268.37</b>
<b>Total Assets</b>		<b>1,107.14</b>	<b>1,141.56</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	2.10	15.00	15.00
(b) Other Equity	2.11	(99.34)	(26.20)
<b>Total Equity</b>		<b>(84.34)</b>	<b>(11.20)</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
Trade Payables	2.12	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		721.59	715.32
Other Financial Liabilities	2.13	461.38	434.69
(b) Other Current Liabilities	2.14	8.51	2.75
<b>Total Current Liabilities</b>		<b>1,191.48</b>	<b>1,152.76</b>
		<b>1,107.14</b>	<b>1,141.56</b>
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			
<div> <div> As per our report of even date  For G.M. Kapadia &amp; Co.  Chartered Accountants  Firm's Registration No. 104767W </div> <div>   Abhishek Singh  Partner  Membership No. 407549 </div> <div>  </div> </div> <div> <div> For and on behalf of the Board    Sunil Sethi  Director  Din : 07777524 </div> <div>   Mayur Govindbhai Kanani  Director  Din : 06590372 </div> </div> <div> <div> Place : Delhi  Dated : 02 APR 2019 </div> <div> Place : Mumbai  Dated : 02 APR 2019 </div> </div>			

**HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED**  
CIN U72900MH2000PTC129837

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

(All Amounts are Rupees in Lakhs unless otherwise stated)

Particulars	Note No.	Year Ended	
		March 31, 2019	March 31, 2018
<b>INCOME</b>			
Revenue from Operations	3.01	485.46	481.50
Other Income	3.02	2.15	1.62
<b>Total Income</b>		<b>487.61</b>	<b>483.12</b>
<b>EXPENDITURE</b>			
Operational Expenses	3.03	447.32	445.07
Finance Cost	3.04	0.51	0.21
Depreciation and Amortization	3.05	69.65	74.91
Other Expenses	3.06	43.25	65.63
<b>Total Expense</b>		<b>560.73</b>	<b>585.82</b>
<b>Net Profit / (Loss) before Tax</b>		<b>(73.14)</b>	<b>(102.70)</b>
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
<b>Net Profit / (Loss) for the year (A)</b>		<b>(73.14)</b>	<b>(102.70)</b>
<b>Other Comprehensive Income (B)</b>		-	-
<b>Total Comprehensive Income / (Loss) for the year, net of Tax (A+B)</b>		<b>(73.14)</b>	<b>(102.70)</b>
Earnings/ (Loss) per equity share (Face value of Rs. 10/- each)			
Basic (in Rs.)		(48.76)	(68.47)
Diluted (in Rs.)		(48.76)	(68.47)
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			
<p>As per our report of even date For G.M. Kapadia &amp; Co. Chartered Accountants Firm's Registration No. 104767W</p> <p>For and on behalf of the Board</p> <p>Abhishek Singh Partner Membership No. 407549</p> <p>Sunil Sethi Director Din : 07777524</p> <p>Mayur Govindbhai Kanani Director Din : 06590372</p> <p>Place : Delhi Dated : 02 APR 2019</p> <p>Place : Mumbai Dated : 02 APR 2019</p>			

**HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED**  
CIN U72900MH2000PTC129837

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**  
(All Amounts are Rupees in Lakhs unless otherwise stated)

Particulars	Year ended			
	March 31, 2019		March 31, 2018	
<b>1 CASH FLOW FROM OPERATING ACTIVITIES:</b>				
NET PROFIT / (LOSS) BEFORE TAX		(73.14)		(102.70)
A Non-cash Adjustment to Profit/ (Loss) Before Tax:				
Depreciation	69.65		74.91	
Impairment loss allowance on trade receivables	20.65		45.65	
Bad Debts (Net)	(12.02)		-	
Interest on NSC of PSV	(0.04)		(0.04)	
Sundry Balance Written Back (Net)	(0.04)		(0.65)	
B Items Considered Separately:				
Interest Income on Fixed Deposit	(0.96)		(0.93)	
Interest Income on Income Tax refund	(1.11)		-	
		76.13		118.94
Operating Profit before Working Capital		2.99		16.24
C Change in operating assets and liabilities :				
(Increase) / Decrease in Trade Receivables	25.47		(50.77)	
(Increase) / Decrease in Loan	(0.04)		(0.04)	
(Increase) / Decrease in Other Non-Current Assets	-		0.01	
(Increase) / Decrease in Other Financial Assets	(0.86)		(0.84)	
(Increase) / Decrease in Other Assets	6.56		61.79	
Increase / (Decrease) in Trade Payables	6.31		(33.74)	
Increase / (Decrease) in Borrowings	-		(4.39)	
Increase / (Decrease) in Other Financial Liabilities	26.69		(33.22)	
Increase / (Decrease) in Other Current Liabilities	5.76		(3.44)	
		69.89		(64.62)
Cash Generated from Operations		72.88		(48.38)
Taxes paid (Net)		(1.10)		(13.56)
Net cash flow from/(used in) operating activities (A)		71.78		(61.94)
<b>2 CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Payment for Property, Plant and Equipment	(1.34)		(2.94)	
Net cash flow from/(used in) investing activities (B)		(1.34)		(2.94)
<b>3 CASH FLOW FROM FINANCING ACTIVITIES</b>				
Issue of Share Capital (Including Premium)	-		-	
Net cash flow from/(used in) in financing activities (C)		-		-
Net increase/(decrease) in cash and cash equivalents (A+B+ C)		70.44		(64.88)
Cash and Cash Equivalents at beginning of year		19.27		84.15
Cash and Cash Equivalents at end of year		89.71		19.27
<b>Reconciliation of cash and cash equivalents as per Cash Flow Statement</b>				
Cash and Cash Equivalents as per above comprising of the following-				
Cash in hand		1.77		0.27
Bank Balance		87.94		19.00
Balance as per statement of Cash flow		89.71		19.27

**Note :**

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

As per our report of even date

For G.M. Kapadia & Co.

Chartered Accountants

Firm's Registration No. 104767W

Abhishek Singh

Partner

Membership No. 407549

For and on behalf of the Board

Sunil Sethi

Director

Din : 07777524

Mayur Govindbhai Kanani

Director

Din : 06590372

Place : Delhi  
Dated :

02 APR 2019

Place : Mumbai  
Dated :

02 APR 2019



**HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED**  
CIN U72900MH2000PTC129837

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**  
(All Amounts are Rupees in Lakhs unless otherwise stated)

**A: EQUITY SHARE CAPITAL**

Particulars	Note No.	Amount
As at April 01, 2017	2.10	15.00
Changes in Equity Share Capital during the period		-
Balance at March 31, 2018	2.10	15.00
Changes in Equity Share Capital during the period		-
Balance at March 31, 2019	2.10	15.00

**B: OTHER EQUITY**

Particulars	Security Premium	Retained earnings	Total Amount
Balance as on April 01, 2017	1,396.00	(1,319.50)	76.50
Net Income / (Loss) for the Period	-	(102.70)	(102.70)
Balance as on March 31, 2018	1,396.00	(1,422.20)	(26.20)
Net Income / (Loss) for the Period	-	(73.14)	(73.14)
Balance as on March 31, 2019	1,396.00	(1,495.34)	(99.34)
Summary of Significant Accounting Policies (Ref. Note No. 1.00)			
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date  
For G.M. Kapadia & Co.  
Chartered Accountants  
Firm's Registration No. 104767W

Abhishek Singh  
Partner  
Membership No. 407549



For and on behalf of the Board

*Sunil Sethi*  
*Mayur Govindbhai Kanani*

Sunil Sethi  
Director  
DIN : 07777524

Mayur Govindbhai Kanani  
Director  
DIN : 06590372

Place : Delhi  
Dated :

02 APR 2019

Place : Mumbai  
Dated :

02 APR 2019

## HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

### Significant accounting policies and notes on accounts

#### Background

Hathway New Concept Cable & Datacom Private Limited is a company limited by shares domiciled in India and incorporated under the provisions of the Companies Act, 1956 having registered office at 'Rahejas', 4th Floor, Corner of Main Avenue and V.P Road, Santacruz (West) Mumbai Maharashtra 400054. The Company is in the business of receiving and distributing digital channel signals. The Company was originally incorporated on 1st December, 2000, under Companies Act, 1956, as "Hathway Data.Com Private Limited". The name of the Company changed to "Hathway New Concept Cable & Datacom Private Limited" on 20th August, 2008. The Company is engaged in the business of distribution and transmission of Cable TV signals in Delhi (DAS Area).

#### Authorization of financial statements

The financial statements were authorized for issue in accordance with a resolution of the directors on

02 APR 2019

#### 1.00 Summary of significant accounting policies

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

##### 1.01 Basis of Preparation

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

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules there under.

###### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:  
Certain financial assets and liabilities are measured at fair value;

##### 1.02 Current Versus Non-Current Classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

##### 1.03 Use Of Judgements, Estimates & Assumptions

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

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

- a) Financial instruments;
- b) Provisions;
- c) Evaluation of recoverability of deferred tax assets; and
- d) Contingencies.

##### 1.04 Leases

###### As a lessee

Leases of plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased Plant and equipment or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.





**1.05 Property, plant and equipment**

Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

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

**Depreciation on Property, plant and equipment**

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 STBs at the customer location which are depreciated on straight-line method over a period of eight years based on internal technical assessment.

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.

All assets costing up to Rs. 5,000/- are fully depreciated in the year of capitalisation.

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

**1.06 Intangible Assets****Intangible Assets acquired separately**

Intangible assets comprises of Goodwill

Goodwill that are acquired separately are carried at cost less accumulated impairment losses.

**1.07 Impairment of Property, Plant and Equipment and Intangible Assets**

Carrying amount of Property, Plant and Equipment and Goodwill 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.

**1.08 Inventories**

Inventories are valued as follows:

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

**1.09 Cash and Cash Equivalents**

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

**1.10 Financial Instruments****A. Financial Assets****(i) Classification**

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

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

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

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

**(ii) Measurement**

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

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

Trade receivables are recognised initially at transactional price less provision for impairment.

**(iii) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.





## HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

### Significant accounting policies and notes on accounts

(iv) 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.

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.

#### B. Financial liabilities

(i) Initial recognition and measurement

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

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

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

(ii) Subsequent measurement

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

#### 1.11 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.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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 Assets is disclosed when inflow of economic benefits is probable.

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

#### 1.12 Revenue Recognition

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

Effective April 1, 2018 the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is the summary of new and/ or revised significant accounting policies related to revenue recognition. Refer Note 1 "Significant Accounting Policies," in the Company's financial statements for the financial year 2017-18 for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognized 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
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.

#### 1.13 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.

#### **1.14 Earnings Per Share (EPS)**

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

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



# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

### 2.01 PROPERTY, PLANT AND EQUIPMENT

Particulars	<-----Gross Block ( at Cost ) ----->		<----- Depreciation/Amortisation/Impairment----->				<-----Net Block----->	
	As at 01-04-2018	Additions during the Year	As at 31-03-2019	As at 01-04-2018	Additions during the Year	Deductions during the Year	Other Adjustments*	As at 31-03-2019
Headend Equipment	70.89	1.12	72.01	19.74	1.09	-	-	51.19
Distribution Equipments	488.59	-	488.59	204.74	68.31	-	-	215.54
Furniture & Fixtures	0.02	0.22	0.24	0.01	0.01	-	-	0.21
Computers	0.94	-	0.94	0.63	0.16	-	-	0.79
Motor Vehicles	0.39	-	0.39	0.24	0.08	-	-	0.15
<b>Total</b>	<b>560.83</b>	<b>1.34</b>	<b>562.17</b>	<b>225.36</b>	<b>69.65</b>	<b>-</b>	<b>-</b>	<b>267.16</b>
								<b>335.47</b>

Particulars	<-----Gross Block ( at Cost ) ----->		<----- Depreciation/Amortisation/Impairment----->				<-----Net Block----->	
	As at 01-04-2018	Additions during the Year	As at 31-03-2019	As at 01-04-2018	Additions during the Year	Deductions during the Year	Other Adjustments*	As at 31-03-2019
2.02 GOODWILL								
Goodwill	478.29	-	478.29	-	-	-	-	478.29
<b>Total</b>	<b>478.29</b>	<b>-</b>	<b>478.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>478.29</b>

### F.Y. 2017-18

Particulars	<-----Gross Block ( at Cost ) ----->		<----- Depreciation/Amortisation/Impairment----->				<-----Net Block----->	
	As at 01-04-2017	Additions during the year	As at 31-03-2018	As at 01-04-2017	Additions during the year	Deductions during the year	Other Adjustments*	As at 31-03-2018
Headend Equipment	70.19	0.70	70.89	13.37	6.36	-	-	51.15
Distribution Equipments	486.35	2.24	488.59	136.44	68.30	-	-	283.85
Furniture & Fixtures	0.02	-	0.02	0.01	0.00	-	-	0.01
Computers	0.94	-	0.94	0.47	0.16	-	-	0.63
Motor Vehicles	0.39	-	0.39	0.16	0.08	-	-	0.30
<b>Total</b>	<b>557.89</b>	<b>2.94</b>	<b>560.83</b>	<b>150.45</b>	<b>74.91</b>	<b>-</b>	<b>-</b>	<b>335.47</b>
								<b>407.44</b>

Particulars	<-----Gross Block ( at Cost ) ----->		<----- Depreciation/Amortisation/Impairment----->				<-----Net Block----->	
	As at 01-04-2017	Additions during the year	As at 31-03-2018	As at 01-04-2017	Additions during the year	Deductions during the year	Other Adjustments*	As at 31-03-2018
2.02 GOODWILL								
Goodwill	478.29	-	478.29	-	-	-	-	478.29
<b>Total</b>	<b>478.29</b>	<b>-</b>	<b>478.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>478.29</b>





# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

2.03 TRADE RECEIVABLES (UNSECURED)	Current	
	As at	
	March 31, 2019	March 31, 2018
Considered good	676.66	702.13
Less: Allowance for doubtful debts (expected credit loss)	521.99	513.36
	<b>154.67</b>	<b>188.77</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.

2.04 LOANS	Non-Current	
	As at	
	March 31, 2019	March 31, 2018
Unsecured Loans*	0.64	0.60
* Receivable from Related Parties	0.64	0.60

In accordance with provisions of Ind AS 109, the investment in preference share has been measured at fair value on initial recognition and been shown as a part of Loans. The above said fair value has been determined using the present value method using the discount rate which is the borrowing market rate. The difference between the amount paid for acquiring the preference shares and its fair value has been charged to retained earnings as on the transition date. The Company will accrue interest using the effective interest rate (discount rate) over the term of the preference shares.

2.05 OTHER FINANCIAL ASSETS	Non-Current		Current	
	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Unsecured, considered good unless stated otherwise				
Other Bank balances (Note No. 2.09)	2.90	2.54	11.31	10.65
Interest accrued but not due	0.15	0.33	0.08	0.07
	<b>3.05</b>	<b>2.87</b>	<b>11.39</b>	<b>10.72</b>

2.06 DEFERRED TAX ASSETS (NET)	As at	
	March 31, 2019	March 31, 2018
Deferred Tax Assets in relation to:		
Trade Receivables	108.47	107.00
	<b>108.47</b>	<b>107.00</b>
Deferred Tax Liabilities in relation to:		
Property, Plant and Equipment	108.47	107.00
	<b>108.47</b>	<b>107.00</b>
<b>NET DEFERRED TAX ASSETS</b>	<b>-</b>	<b>-</b>

Note : Refer Note No. 4.09

2.07 CURRENT TAX ASSETS (NET)	Current	
	As at	
	March 31, 2019	March 31, 2018
Advance Income Tax (Net of Provision)	17.25	22.75
	<b>17.25</b>	<b>22.75</b>

2.08 OTHER ASSETS	Non Current		Current	
	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>OTHER ADVANCES</b>				
Unsecured, considered good unless stated otherwise				
Advance to Suppliers	-	-	4.72	3.47
Prepaid expenses	-	-	0.05	-
Staff Advances	-	-	0.35	0.27
GST & Service Tax Claimable	-	-	17.53	22.25
Advance Income Tax (Net of Provision)	18.87	13.37	-	-
Security Deposits	-	-	0.87	0.87
Advances with Statutory Authorities	42.59	42.59	-	-
	<b>61.46</b>	<b>55.96</b>	<b>23.52</b>	<b>26.86</b>



# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

2.09 CASH AND CASH EQUIVALENTS	Non-Current		Current	
	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Cash &amp; Cash Equivalents</b>				
In Current Accounts	-	-	87.94	19.00
Cash in hand	-	-	1.77	0.27
	-	-	<b>89.71</b>	<b>19.27</b>
<b>Other Bank Balance</b>				
Fixed Deposits with maturity greater than 3 months*	2.90	2.54	11.31	10.65
	2.90	2.54	11.31	10.65
Less: Amount disclosed under Other Financial Assets (Refer Note 2.05)	2.90	2.54	11.31	10.65
	-	-	<b>89.71</b>	<b>19.27</b>

\* includes Fixed Deposit of Rs. 2.90 Lakh (Rs. 2.54 Lakh) lodged with "Commissioner of Entertainment Tax" Delhi



# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

2.10 EQUITY SHARE CAPITAL	As at	
	March 31, 2019	March 31, 2018
<b>Authorised Capital</b> 150,000 (March 31, 2018; 150,000) equity shares of face value Rs 10 each	15.00	15.00
	<b>15.00</b>	<b>15.00</b>
<b>Issued, Subscribed and Paid up Capital</b> 150,000 (March 31, 2018; 150,000) equity shares of face value Rs 10 each	15.00	15.00
	<b>15.00</b>	<b>15.00</b>

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

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
	Number	Amount	Number	Amount
<b>Equity Shares of Rs.10 each</b>				
Shares Outstanding at the beginning of the year	150,000	15.00	150,000	15.00
Shares Issued during the Period	-	-	-	-
Shares Outstanding at the end of the year	<b>150,000</b>	<b>15.00</b>	<b>150,000</b>	<b>15.00</b>

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

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10 each</b> Hathway Cable and Datacom Limited - Holding Company	150,000	100%	150,000	100%

### 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 holding company or the ultimately holding company in aggregate :

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
	No. of Shares held	Amount	No. of Shares held	Amount
<b>Equity Shares of Rs. 10 each</b> Hathway Cable and Datacom Limited - Holding Company	150,000	15.00	150,000	15.00

### d) Rights, Preference and restrictions attached to Shares;

#### Terms/ Rights attached to Equity Shares:

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

2.11 OTHER EQUITY	As at	
	March 31, 2019	March 31, 2018
<b>Securities Premium*</b>		
Balance as at the beginning of the year	1,396.00	1,396.00
Balance as at the end of the year	<b>1,396.00</b>	<b>1,396.00</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	(1,422.20)	(1,319.50)
Add : Net Profit/ (Loss) for the Period	(73.14)	(102.70)
Balance as at the end of the year	<b>(1,495.34)</b>	<b>(1,422.20)</b>
<b>Balance at the end of the Year</b>	<b>(99.34)</b>	<b>(26.20)</b>

\*Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the companies Act, 2013





# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

2.12 TRADE PAYABLES	Current	
	As at	
	March 31, 2019	March 31, 2018
Trade Payables		
Micro and Small Enterprises		
Micro and Small Enterprises (Refer to Note no. 4.08)		
Others	721.59	715.32
	<b>721.59</b>	<b>715.32</b>

2.13 OTHER FINANCIAL LIABILITIES	Current	
	As at	
	March 31, 2019	March 31, 2018
Other Liabilities Purchase of Property, Plant and Equipment	391.61	391.61
Other Liabilities	69.77	43.08
	<b>461.38</b>	<b>434.69</b>

2.14 OTHER CURRENT LIABILITIES	Current	
	As at	
	March 31, 2019	March 31, 2018
Advance from Customers	0.23	0.16
Statutory Payables	8.28	2.59
	<b>8.51</b>	<b>2.75</b>



# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

3.01 REVENUE FROM OPERATIONS	Year ended	
	March 31, 2019	March 31, 2018
Sale of services		
Subscription Income	485.46	481.50
	<b>485.46</b>	<b>481.50</b>

3.02 OTHER INCOME	Year ended	
	March 31, 2019	March 31, 2018
Interest on Fixed Deposits	0.96	0.93
Interest on Income Tax Refund	1.11	-
Unwinding Interest (Ref. Note No. 2.04)	0.04	0.04
Amount No Longer Payable Written Back (Net)*	0.04	0.65
	<b>2.15</b>	<b>1.62</b>

\*Sundry Creditors Written back in FY 17-18 are net of CENVAT Credit of Service Tax not eligible for set off written off

3.03 OPERATIONAL EXPENSES	Year ended	
	March 31, 2019	March 31, 2018
Feed charges	256.46	254.31
Commission	62.35	61.12
Other Sundry Operational Cost	9.98	10.01
Repairs & Maintenance ( Plant & Machinery )	18.13	18.13
Rent	21.18	19.48
Consultancy & Technical Fees	31.13	30.56
Freight & Octroi Charges	1.32	1.29
Digital STB Subscription Expense	46.77	50.17
	<b>447.32</b>	<b>445.07</b>

3.04 FINANCE COST	Year ended	
	March 31, 2019	March 31, 2018
Interest and Finance Charges	-	0.03
Bank Charges	0.19	0.18
Other Financial Charges	0.32	-
	<b>0.51</b>	<b>0.21</b>

3.05 DEPRECIATION AND AMORTISATION	Year ended	
	March 31, 2019	March 31, 2018
Depreciation on Property, Plant and Equipment	69.65	74.91
	<b>69.65</b>	<b>74.91</b>

3.06 OTHER EXPENSES	Year ended	
	March 31, 2019	March 31, 2018
Service Charges	4.04	4.04
Bad Debts	12.02	-
Less: Transfer from Provision for Doubtful Debts	12.02	-
	-	-
Allowance for doubtful debts (expected credit loss)	20.65	45.65
AMC Charges	0.37	-
Rates & taxes	0.03	0.05
Office Expenses	2.14	2.11
Legal & Professional Charges	0.58	0.43
Repairs & Maintenance (Others)	4.61	3.34
Communication Charges	0.25	0.37
Travelling & Conveyance	4.15	4.00
Printing & Stationery	0.53	0.52
Miscellaneous Expenses	2.50	2.47
Business Promotion Expenses	1.95	1.90
<b>Auditor's Remuneration</b>		
Statutory Audit Fees	1.10	0.50
Tax Audit Fees	0.35	0.25
	<b>43.25</b>	<b>65.63</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2019

(All Amounts are Rupees in Lakhs unless otherwise stated)

4.01 The Company is wholly owned subsidiary of Hathway Cable and Datacom Limited. The operations of the Company are integrated to the operations of Holding Company. "The Board of Directors of the Company at their meeting held on 10th May, 2016 had given in-principle approval to merge Company's CATV only business with Hathway Cable and Datacom Limited (HCDL), its holding company. However, due to restructuring of HCDL, the decision taken by the Board of Directors of the Company on 10th May, 2016 was rescinded. Thereafter, the Board of Directors of the Company, in its meeting held on 12th January, 2017 gave in-principle approval for merger of the business of the Company into Hathway Digital Private Limited (formerly known as Hathway Datacom Central Private Limited), under a scheme of arrangement in accordance with the provisions of the Companies Act, 2013 (or any amendment or re-enactment thereof) and on such terms and conditions as may be approved by the shareholders and the creditors of the Company and accepted by the relevant NCLT and other applicable regulatory/ governmental authorities. Though the Appointed Date for this Scheme has been proposed as March 31, 2017 (after close of business hours), pending requisite approvals and due to both the parties still being in the process of finalization of terms and conditions and execution of the modalities for the proposed merger, it is not required to give any effect in the above said matter in the present financial statements of the Company". The management proposes to file the Scheme during financial year 2019-20

## 4.02 DISCLOSURE AS PER IND AS 115

## Disaggregation of Revenue

Particulars	For the year ended March, 2019
<b>Major service lines</b>	
Subscription income	368.86
Placement income	116.59
<b>Sales channels</b>	
Primary income	-
Secondary income	485.46

## 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	31-Mar-19
Receivables, which are included in 'Trade and other receivables'	154.67
Contract assets (Unbilled Revenue)	-
Contract liabilities (Unearned Revenue)	-

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 period are as follows.

Particulars	As at March 31, 2019	
	Contract assets	Contract liabilities
Balance at the beginning of the year	-	0.16
Unbilled revenue recognized during the year	-	-
Transfer from unbilled revenue recognised at the beginning of the year to trade receivables	-	-
Advance received from the customer during the year	-	0.23
Revenue recognised that is included in the contract liability balance at the beginning of the period	-	0.16
Balance at the end of the year	-	0.23

## 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 Rs. NIL as a result of obtaining customers.

Customer acquisition cost are normally amortised over a period of 10 years.

## 4.03 NOTE ON CONTINGENT LIABILITY- CLAIM AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT

The Company has received a demand of Rs.2,35,250/- for income-tax (including interest) u/s 156 of the Income Tax Act pursuant to assessment order passed for AY 13-14 denying TDS credit claimed by the Company in its return of income. While as per the Company, it has received TDS refund of short amount as against the amount actually claimed in its return of income, aggrieved by this demand notice, the Company has filed application with the department for their passing of rectification order to cancel the above said demand and grant full refund along with applicable interest.

## 4.04 SEGMENTAL REPORTING

As the Company's business activity falls within a single business segment viz. providing Cable Television network services which is considered as the only reportable segment and the revenue substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

## a) Description of segments and principal activities

The management examines the company's performance from its product perspective and has identified following segments of company's business.

## Name of Business Segments

Cable TV Services (CATV)  
Residual





b) Summary of the segmental information is as follows:

Particulars	March 31, 2019				March 31, 2018			
	Cable TV Services	Residual	Unallocated	Total	Cable TV Services	Residual	Unallocated	Total
<b>Segment Income</b>								
Revenue from external customers	485.46	0.73	-	486.19	481.50	0.67	-	482.17
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>485.46</b>	<b>0.73</b>	<b>-</b>	<b>486.19</b>	<b>481.50</b>	<b>0.67</b>	<b>-</b>	<b>482.17</b>
<b>Segment result</b>	(72.54)	0.73	(0.16)	(71.97)	(102.80)	0.67	(0.16)	(102.29)
Finance costs	0.32	-	0.19	0.51	0.21	-	-	0.21
Finance income	-	-	1.35	1.35	-	-	0.30	0.30
Other non operating income	0.04	-	-	0.04	0.65	-	-	0.65
Non-operating expense	-	-	2.06	2.06	-	-	1.15	1.15
<b>Profit before tax</b>	<b>(72.81)</b>	<b>0.73</b>	<b>(1.06)</b>	<b>(73.14)</b>	<b>(102.36)</b>	<b>0.67</b>	<b>(1.01)</b>	<b>(102.70)</b>
<b>Other information</b>								
Segment Assets	969.25	11.39	126.49	1,107.14	1,074.60	10.72	56.24	1,141.56
Segment Liabilities	1,013.90	-	8.90	1,022.81	1,127.09	-	3.27	1,130.36
Capital expenditure	1.34	-	-	1.34	2.94	-	-	2.94
Depreciation and amortisation	69.48	-	0.16	69.65	74.75	-	0.16	74.91
<b>Unallocated assets comprise of :</b>								
Accounting Software	-	-	0.52	0.52	-	-	0.52	0.52
Interest accrued but not due on Fixed Deposits	-	-	0.15	0.15	-	-	0.33	0.33
Advance Income Tax (Net of Provision)	-	-	36.12	36.12	-	-	36.13	36.13
Cash & Cash Equivalents	-	-	89.71	89.71	-	-	19.27	19.27
	-	-	<b>126.49</b>	<b>126.49</b>	-	-	<b>56.24</b>	<b>56.24</b>
<b>Unallocated liabilities comprise of :</b>								
Payable to Creditors	-	-	0.63	0.63	-	-	0.68	0.68
Statutory Payables	-	-	8.28	8.28	-	-	2.59	2.59
	-	-	<b>8.90</b>	<b>8.90</b>	-	-	<b>3.27</b>	<b>3.27</b>

**C) Geographical information**

The Company's operations are limited to only one geographical location i.e. India.

**Note:**

Unallocated: Unallocated items include expenses / results, assets and liabilities (including inter-segment assets and liabilities) of head office of the Company, current taxes, deferred taxes and certain financial assets and liabilities, not allocated to the operating segments.

**4.05 RELATED PARTY DISCLOSURES**

**Names of related parties and related party relationship-where control exists**

Hathway Cable and Datacom Limited - Holding Company

**Related parties with whom transactions have taken place**

**Fellow Subsidiaries:**

Hathway Sonali Om Crystal Cable Pvt. Ltd.

Win Cable and Datacom Pvt Ltd

Hathway Media Vision Pvt Ltd

Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)

**Related Party Transactions**

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

Particulars	Year ended	
	March 31, 2019	March 31, 2018
<b>INCOME</b>		
<b>Subscription Income</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	116.59	132.29
<b>Interest Income on Loan</b>		
Win Cable and Datacom Pvt Ltd	0.03	0.03
Hathway Media Vision Pvt Ltd	0.01	0.01
<b>EXPENSES</b>		
<b>Feed Charges</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	256.46	254.31
<b>Digital STB Subscription Expense</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	46.77	50.17
<b>Purchase of Miscellaneous</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	1.40	-
<b>CLOSING BALANCES</b>		
<b>Non-Current Loan</b>		
Win Cable and Datacom Pvt Ltd	0.44	0.41
Hathway Media Vision Pvt Ltd	0.20	0.19
<b>Trade Payables</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	721.59	715.32
<b>Others Current Liabilities</b>		
Hathway Digital Pvt. Ltd. (FKA: Hathway Central Datacom Pvt. Ltd.)	391.61	391.61
Hathway Sonali Om Crystal Pvt. Ltd.	-	2.75



# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

### 4.06 LEASES

#### Operating Leases (As Lessee):

Operating Leases (As Lessee): The Company's significant leasing arrangements in terms of IND AS 17 are in respect of Operating Leases for Premises. These leasing arrangements, which are cancellable in nature range between 11 months to 36 months and are renewable by mutual consent.

The treatment of the rental by the Company is as under:

Rental Expenses debited to the Statement of Profit and Loss Rs. 19.93 Lakh (Rs. 18.23 Lakh; March 31, 2018)

### 4.07 EARNINGS \ (LOSS) PER SHARE

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Profit \ (Loss) after tax	(73.14)	(102.70)
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Basic/ Diluted EPS	1,50,000	1,50,000
Nominal value of ordinary shares (Rs.) (Face Value restated)	10.00	10.00
EPS - Basic & Diluted (Rupees)	(48.76)	(68.47)

### 4.08 Disclosure Under MSME Development Act 2006:

The Disclosure under MSME Act 2006 is as under

Particulars	Year ended	
	March 31, 2019	March 31, 2018
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting year;	Nil	Nil
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year;	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

4.09 In the absence of reasonable certainty of availability of future taxable profits against which the deferred tax assets can be adjusted, the Company has recognised deferred tax assets to the extent of deferred tax liability available. (Refer to Note 2.06)

#### Expiry schedule of deferred tax assets not recognised is as under :

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	Beyond 5	Indefinite	Total
Tax Losses:								
Unabsorbed depreciation	-	-	-	-	-	-	364.96	364.96
Deductible temporary difference:								
Trade Receivable	-	-	-	-	-	-	27.25	27.25
<b>Total</b>	-	-	-	-	-	-	<b>392.21</b>	<b>392.21</b>



# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

### 4.10 Capital Management

#### Risk Management

The company's objectives when managing capital are to Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the company may issue new shares.

The Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the balance sheet )

Particulars	As at	
	March 31, 2019	March 31, 2018
Net debt	-	-
Total equity	(84.34)	(11.20)
Net debt to equity ratio	N.A.	N.A.

### 4.11 Financial Instruments : Accounting classifications, Fair value measurements, Financial Risk management

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

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

The carrying amounts of trade receivables, cash and cash equivalents, short term deposits, trade payables, plant and equipment, short term loans are considered to be the same as their fair values, due to their short-term nature.

#### (ii) Categories of financial instruments and fair value hierarchy

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

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

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

Level 3: unobservable inputs from assets and liability

Particulars	March 31, 2019		March 31, 2018		Fair value hierarchy
	Carrying values	Fair value	Carrying values	Fair value	
<b>Financial assets</b>					
Measured at amortised cost					
Trade receivables	154.67	154.67	188.77	188.77	Level 3
Other Loans	0.64	0.64	0.60	0.60	Level 3
Other financial assets					
Interest accrued but not due (Non current)	0.15	0.15	0.33	0.33	Level 3
Interest accrued but not due (Current)	0.08	0.08	0.07	0.07	Level 3
Bank deposits with more than 12 months maturity	2.90	2.90	2.54	2.54	Level 3
Bank deposits with in 12 months maturity	11.31	11.31	10.65	10.65	Level 3
Cash and cash equivalents	89.71	89.71	19.27	19.27	Level 3
<b>Financial liabilities</b>					
Measured at amortised cost					
Trade payables	721.59	721.59	715.32	715.32	Level 3
Other financial liabilities	461.38	461.38	434.69	434.69	Level 3

#### (iii) Financial Risk Management

The Company's activities are less exposed to liquidity risk and credit risk.

Risk	Exposure arising from	Measurement	Management
1) Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits, credit limits
2) Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowings facilities.

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





# HATHWAY NEW CONCEPT CABLE & DATACOM PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(All Amounts are Rupees in Lakhs unless otherwise stated)

### Credit Risk Management

Credit risk arises from the possibility that counter party will cause financial loss to the company by failing to discharge its obligation as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Particulars	As at	
	March 31, 2019	March 31, 2018
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	676.66	702.13

Age of receivables (Gross)	As at	
	March 31, 2019	March 31, 2018
1-90 days past due	93.83	89.11
91-180 days past due	64.02	73.40
181-365 days past due	89.08	109.46
More than 365 days past due	429.73	430.16

Movement in the expected credit loss allowance	As at	
	March 31, 2019	March 31, 2018
Balance at beginning of the year	513.36	467.71
Movement in expected credit loss allowance on trade receivables calculated at lifetime	8.63	45.65
Balance as on March 31, 2019	521.99	513.36

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

### Liquidity risk

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

Management monitors rolling forecasts of the entity's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

### Financing arrangements

The Holding Company has committed to provide necessary financial support.

### Maturities of financial liabilities

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

As at March 31, 2019	less than 1 year	1 to 5 year	Total
Non-Derivatives			
Trade payables	721.59	-	721.59
Other financial liabilities	461.38	-	461.38
	1,182.97	-	1,182.97

As at March 31, 2018	less than 1 year	1 to 5 year	Total
Non-Derivatives			
Trade payables	715.32	-	715.32
Other financial liabilities	434.69	-	434.69
	1,150.01	-	1,150.01

As per our report of even date

For G.M. Kapadia & Co.

Chartered Accountants

Firm's Registration No. 104767W

*Abhishek Singh*

Abhishek Singh  
Partner

Membership No. 407549

For and on behalf of the Board

*Sunil Sethi*

Sunil Sethi  
Director

Din : 07777524

*Mayur Govindbhai Kanani*

Mayur Govindbhai Kanani  
Director

Din : 06590372

Delhi

Dated :

02 APR 2019

Mumbai

Dated :

02 APR 2019