

INDEPENDENT AUDITOR'S REPORT

To The Members of HATHWAY CABLE & DATACOM LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note no. 4.25 to the accounts relating to manner and basis of recognition of subscription income in respect of Cable Television business.

Our opinion is not qualified in respect of above matter.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- As required by Section 143 (3) of the Act, we report that:
 - 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;
 - 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;
 - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 4.01 to the financial statements;
- ii. The Company has made provision as required under the applicable law or accounting standard for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 4.19 to the financial statements;
- iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Viren Thakkar
Partner
Mumbai
Dated: May 29, 2015
(Membership No. 49417)

ANNEXURE TO THE AUDITOR'S REPORT

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

- i. (a) The Company has maintained records of fixed assets showing particulars of assets including quantitative details and location except in case of certain types of distribution equipments like cabling, line equipments, access devices with subscribers. As explained to us by the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;
- (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. Fixed assets, other than distribution equipments and access devices with the subscribers / local cable operators were physically verified during the year based on revised verification programme adopted by the management. As per this programme, certain categories of assets were verified and balance will be verified in subsequent two years. The management has represented that physical verification of access devices with the subscribers / local cable operators is impractical, however, the same can be tracked, in case of most of the networks, through subscribers management system;
- The Company has initiated the process of reconciliation of book records with outcome of physical verification, where ever physical verification was carried out and have accounted for the discrepancies observed on such verification.
- In our opinion, frequency and procedure for verification of distribution equipments and certain Head-end Equipments under the control of local cable operators and subsequent reconciliation with book records need to be strengthened;
- ii. (a) The inventories have been physically verified by the management during the year;
- (b) In our opinion and according to the information and explanation given to us, the frequency of verification and procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of such inventory. We have been informed that discrepancies observed on physical verification between the stocks and the book records were not material;
- iii. The Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Act. In respect of this loan, the recovery of principal and interest amount has not fallen due;
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system with regards to purchases of the inventory and fixed assets and sale of goods and services. The management is in process of further strengthening the internal controls over documentation in certain areas so as to make it commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any other area of continuing failure to correct major weakness in internal controls;
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions contained in sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under are not applicable to the Company. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal;
- vi. The Central Government has prescribed maintenance of cost records under section 148(1) of the Act in respect of certain service activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained subject to our comments as stated above. We have not, however, made a detailed examination of the same;
- vii. (a) Based on the records produced before us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of outstanding statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable;
- (b) The details of disputed statutory dues, which have not been deposited by the Company are as under:

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Bombay Entertainment Duty Act , 1923	Entertainment Tax & penalty thereon, Thane	Entertainment Tax Department, Thane	June 2006 to May 2007	0.89
2	Bombay Entertainments Duty Act , 1923	Entertainment Tax	Court of Divisional Commissioner, Aurangabad division	May 2009 to October 2010	1.59 ¹
3	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Andhra Pradesh High Court	May 2005 to June 2006	0.58
4	Uttar Pradesh Entertainment Tax Rules	Entertainment Tax	District Magistrate, Agra	July 2013 - January 2015 and April 2014 - September 2014	1.38
5	Uttar Pradesh Entertainment and Betting Act, 1979	Entertainment Tax	District Magistrate, Ghaziabad	April 2013 to January 2014	1.41
6	The Maharashtra Value Added Tax, 2002	Value Added Tax	Mahatashtra VAT Tribunal	April 2008 to March 2009	0.68 ²
7	The Maharashtra Value Added Tax, 2002	Value Added Tax	Mahatashtra VAT Tribunal	April 2010 to March 2011	3.01 ³
8	Finance Act, 1994	Service Tax	Service Tax Department	April 2003 to March 2004	0.16
9	Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyapan Kar Adhinyam, 2011	Commercial Taxes	Settlement Authority	July 01, 2011 to March 17, 2012	0.81 ⁴
10	Andhra Pradesh Value Added Tax, 2005	Value Added Tax	Sales Tax Appellate Tribunal, Andhra Pradesh	April 2008 to March 2009	18.05 ⁵
11	Delhi Entertainment & Betting Tax Act, 1966	Entertainment Tax	Delhi High Court	April 2013 to May 2013 June 2013 to March 2014 April 2014 to March 2015 December 2013 to September 2014	5.95 ⁶ 27.22 33.61
12	Maharashtra Entertainments Duty Act, 1923	Entertainment Tax	Writ Petition to Bombay High Court	Upto October 2014	4.57
13	The Karnataka Entertainments Tax Act, 1958	Value Added Tax	Writ Petition to Karnataka High Court	2011-12, 2012-13, 2013-14	10.28
14	Income Tax Act, 1961	Tax Deducted at Source & interest thereon	Commissioner of Income Tax(Appeals)	April 2000 to March 2004	3.99 ⁷
15	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Commissioner of Commercial Tax, Hyderabad	2009-10 to 2013-14	3.06 ⁴
16	Bombay Sales Tax Act, 1959	Sales Tax	Assistant Comm. Of Sales Tax, Appeals	1999-2000	0.007

¹ Amount paid is ₹ 1.15

² Amount paid is ₹ 0.23

³ Amount paid is ₹ 0.15

⁴ Amount demanded is fully paid

⁵ ₹ 9.03 is paid as pre-deposit

⁶ Amount paid ₹ 3.14

⁷ Part payment made to department ₹ 1.99

- (c) According to the information and explanation given to us, no amounts were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder. Therefore, the provisions of clause (vii)(c) of paragraph 3 of the Order relating to transfer of amount to investor education and protection fund is not applicable;
- viii. The accumulated losses at the end of the financial year are not less than fifty percent of Net worth of the Company. The Company has neither incurred cash losses during the financial year covered by our audit nor in the immediately preceding financial year;
- ix. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institutions and banks;
- x. According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiaries from a bank and others, the terms and conditions whereof, as explained to us, are not prima facie prejudicial to the interest of the Company;
- xi. Based on information and explanation given to us and based on overall review of the funds utilization, we are of the view that the Company has generally utilized funds for which they were obtained. However, pending such utilization these funds have been temporarily utilized to reduce the short-term borrowings; and
- xii. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit except cases of misappropriation of cash collection from the subscribers and fraudulent withdrawals of funds by employees aggregating to ₹ 0.02 crores.

Mumbai

Dated: May 29, 2015

For G. M. Kapadia & Co.
Chartered Accountants

(Firm Registration No.104767W)

Viren Thakkar

Partner

(Membership No. 49417)

BALANCE SHEET

as at March 31, 2015

(₹ in Crore unless otherwise stated)

	Notes	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.01	166.10	152.00
Reserves and Surplus	2.02	1,016.13	772.16
Non-Current Liabilities			
Long-Term Borrowings	2.03	674.55	801.46
Other Long-Term Liabilities	2.04	20.24	11.24
Current Liabilities			
Short-Term Borrowings	2.05	99.17	52.67
Trade Payables	2.06	120.78	107.05
Other Current Liabilities	2.06	479.79	468.96
Short-Term Provisions	2.07	4.96	7.16
		2,581.72	2,372.70
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.08	1,155.37	1,094.16
Intangible Assets	2.09	117.10	102.93
Capital Work In Progress	2.08	156.60	228.98
Non-Current Investments	2.10	381.57	371.61
Deferred Tax Assets (Net)	2.11	-	-
Trade Receivables	2.12	1.08	12.21
Long-Term Loans and Advances	2.13	155.77	88.36
Other Non-Current Assets	2.14	60.63	62.16
Current Assets			
Current Investments	2.15	89.11	-
Inventories	2.16	6.02	1.73
Trade Receivables	2.12	302.20	266.22
Cash and Bank Balances	2.17	20.41	2.95
Short-Term Loans & Advances	2.13	132.14	139.73
Other Current Assets	2.14	3.72	1.66
		2,581.72	2,372.70
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm's Registration No : 104767W

For and on behalf of the Board

VIREN THAKKAR

Partner

Membership No : 49417

GANAPATHY SUBRAMANIAM

Chief Financial Officer

JAGDISHKUMAR G PILLAI

DIN : 00036481

Managing Director & C.E.O

AJAY SINGH

FCS - 5189

Company Secretary & Compliance Officer

VINAYAK AGGARWAL

DIN : 00007280

Director

Mumbai

Dated: May 29, 2015

Mumbai

Dated: May 29, 2015

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

(₹ in Crore unless otherwise stated)

	Notes	Year ended March 31, 2015	Year ended March 31, 2014
INCOME			
Revenue from Operations	3.01	1,022.91	980.10
Other Income	3.02	14.49	7.70
		1,037.40	987.80
EXPENDITURE			
Purchase of Stock-In-Trade	3.03	0.19	13.01
Operational Expenses	3.04	595.66	547.09
Employee Benefits Expense	3.05	61.55	51.93
Other Expenses	3.06	226.05	184.49
		883.45	796.52
Earnings before Finance cost, Depreciation, Amortization and Tax			
Depreciation and Amortization	3.07	222.88	202.29
Impairment of Tangible / Intangible Assets		4.10	8.07
Finance Cost	3.08	105.76	92.52
Profit / (Loss) before Prior Period Items, Exceptional items and Tax			
Prior Period Expenses (Net)	4.08	0.27	3.05
Exceptional Items	3.09	(3.84)	10.60
Net Profit / (Loss) before Tax			
Tax Expense:			
Current Tax		-	-
Deferred Tax	2.11	-	-
Net Profit / (Loss) for the Year from Continuing Operations			
Earnings per equity share (nominal value of share ₹ 2 each) from Continuing and Total Operation			
Weighted Average Number of Shares - Basic		797,143,815	740,910,810
Earning / (Loss) Per Share (In ₹) - Basic		(2.20)	(1.69)
Weighted Average Number of Shares - Diluted		797,143,815	740,910,810
Earning / (Loss) Per Share (In ₹) - Diluted		(2.20)	(1.69)
Summary of Significant Accounting Policies			
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm's Registration No : 104767W

VIREN THAKKAR

Partner

Membership No : 49417

GANAPATHY SUBRAMANIAM

Chief Financial Officer

AJAY SINGH

FCS - 5189

Company Secretary & Compliance Officer

JAGDISHKUMAR G PILLAI

DIN : 00036481

Managing Director & C.E.O

VINAYAK AGGARWAL

DIN : 00007280

Director

Mumbai

Dated: May 29, 2015

For and on behalf of the Board

Mumbai

Dated: May 29, 2015

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CASH FLOW STATEMENT

for the year ended March 31, 2015

(₹ in Crore unless otherwise stated)

	Year ended March 31, 2015	Year ended March 31, 2014
1. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT / (LOSS) BEFORE TAX & PRIOR PERIOD	(175.22)	(125.25)
ADJUSTMENTS		
A. Adjustment for :		
Depreciation & Amortization	222.88	202.29
Impairment of Tangible / Intangible Assets	4.09	8.05
Depreciation reversal on account of change in method from WDV to SLM and Change in estimate of life as per the Schedule II of Companies Act, 2013	(64.02)	-
Marked down in value of certain assets towards abnormal wear and tear	29.69	-
Amount No Longer Payable Written Back	(0.18)	(0.26)
Provision for Bad & Doubtful Debts (Net)	53.86	41.25
Provision for Bad & Doubtful Advances	0.31	0.46
Provision for leave encashment and gratuity	0.39	1.38
Loss from Share of Profit / Loss in LLP	0.19	0.52
Sundry Advances Written Off	0.22	0.19
Employee Compensation Expense	(0.70)	(0.34)
Unrealized foreign exchange loss	(0.03)	2.49
MTM Loss on Swap	5.27	-
Provision for Doubtful Advances / Investments / Receivables from Entities Under Control / Significant Influence Provision for Entertainment Tax of earlier years	27.42	10.79
Provision for Entertainment Tax	3.07	-
Loss on disposal / shortage of assets	3.31	4.31
Interest and Finance Charges	86.45	76.97
Income from Investments	(5.99)	(4.39)
(Profit) / loss on sale of Investments	(7.24)	(2.45)
	358.99	341.27
Operating Profit Before Working Capital	183.77	216.02
B. Change in Working Capital		
(Increase) / Decrease in Inventories	(4.29)	(0.22)
(Increase) / Decrease in Trade Receivables	(91.89)	(160.93)
(Increase) / Decrease in Loans & Advance	(10.27)	(72.69)
Increase / (Decrease) in Liabilities & Provisions	9.20	65.81
	(97.25)	(168.03)
Cash Generated from Operations	86.52	47.98
Taxes paid (Net)	(20.88)	(20.80)
Net Cash from Operation Activities	65.63	27.18
2. CASH FLOW FROM INVESTING ACTIVITIES:		
Income from Investments	5.91	3.37
Sale Proceeds of Fixed assets	0.09	0.24
Payment for Fixed Assets	(279.30)	(607.56)
Loans & Advance given to Subsidiaries	(0.20)	(12.25)
Loans & Advances repaid by Subsidiaries	1.76	15.95
Investment in Subsidiaries & Share Application Money	(63.13)	(18.50)
Purchase of Other Investments	(952.24)	(184.87)
Net Sale Proceeds of Other Investments	870.37	187.32
Net cash flow from/ (used in) Investing activity	(416.74)	(616.30)

CASH FLOW STATEMENT

for the year ended March 31, 2015 (Contd.)

(₹ in Crore unless otherwise stated)

	Year ended March 31, 2015	Year ended March 31, 2014
3. CASH FLOW FROM FINANCING ACTIVITIES		
Interest and Finance Charges	(85.68)	(70.26)
Issue of Share Capital (Including Premium)	451.20	249.45
Share Issue Expenses	(4.62)	(1.79)
Proceeds from Long term Borrowings	416.92	589.67
Repayment of Long term Borrowings	(455.76)	(198.38)
Short Term Borrowings (Net)	46.51	12.71
Net cash flow from/ (used in) Financing activity	368.56	581.40
Net increase in Cash and Cash equivalent	17.45	(7.72)
Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year	2.95	10.67
Cash & Cash equivalents (Net of Book Overdraft) at the end of year	20.41	2.95
Components of cash and cash equivalents		
Balances with banks:		
In Current Accounts	17.33	1.09
Credit Balances in Current Account with Bank	-	-
Fixed Deposits with original maturity of less than 3 months	-	-
Cash in hand	3.08	1.86
Mutual funds with original maturity of less than 3 months	-	-
Total cash and cash equivalents	20.41	2.95

Note:

- Above Statement has been prepared by using Indirect method as per AS-3 on Cash Flow Statements.
- Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash in hand, demand deposits with banks and other short-term investments with an original maturity of three months or less.

As per our report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm's Registration No : 104767W

VIREN THAKKAR

Partner

Membership No : 49417

GANAPATHY SUBRAMANIAM

Chief Financial Officer

AJAY SINGH

FCS - 5189

Company Secretary & Compliance Officer

For and on behalf of the Board**JAGDISHKUMAR G PILLAI**

DIN : 00036481

Managing Director & C.E.O

VINAYAK AGGARWAL

DIN : 00007280

Director

Mumbai

Dated: May 29, 2015

Mumbai

Dated: May 29, 2015

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Company overview

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 Multi System Operator (MSO) engaged in distribution of television channels through analog and digital cable distribution network and internet services through cable. Its equity shares are listed on National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange Limited (BSE) in India.

1.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.01 BASIS OF PREPARATION

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. 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.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except to the extent stated in note 1.02.

1.02 CHANGE IN ACCOUNTING POLICY

In the current year, the Company changed, with retrospective effect, its method of providing depreciation on certain fixed assets from the Written Down Value (WDV) method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line (SLM) method at the rates derived from the useful life stated in Schedule II to the Act. The above change is in case of all fixed assets except Set Top Boxes and Internet access devices at customer location. In case of later, depreciation is provided over 8 years on SLM. Refer note no. 4.16 also.

1.03 USE OF ESTIMATES

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Differences on account of revision of estimates, actual results and existing estimates are recognised in periods in which the results are known/ materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

1.04 FIXED ASSETS

a) Tangible Assets

- (i) The fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, non refundable taxes and all expenses incurred in bringing the assets to its present location and condition for its intended use and includes installation and commissioning expenses. Such indirect expenditure incurred during the pre-commencement period is allocated proportionately over the cost of the relevant assets.
- (ii) Set Top Boxes (STBs) and Internet 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.
- (iii) Gains or losses arising on de-recognition of fixed assets being the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognized.

b) Intangible Assets

- (i) Intangible assets comprises of Cable Television Franchise, Movie & Serial Rights, Bandwidth Rights, Goodwill and Softwares. Cable Television Franchisee represents purchase consideration of a network that is mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.
 - (ii) Intangible assets 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.
 - (iii) The amortization period and the amortization method are reviewed at least at each financial year-end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.
- c)** Fixed Asset not in active use and held for sale is classified under "Other Non Current Assets" and are recognised at the lower of their carrying amount or market value less cost to sell.

1.05 DEPRECIATION / AMORTISATION

The enactment of the Companies Act, 2013 requires that the Company should reassess useful life of its fixed assets and provide depreciation based on such re-assessment with effect from April 1, 2014.

- a) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful life as prescribed in Schedule II to the Act, unless otherwise specified.
- b) Depreciable amount for assets is the cost of an asset less its estimated residual value.
- c) 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.
- d) The cost of STBs & Internet Access device at the customer location are depreciated on straight-line method over a period of eight years .
- e) Useful life of assets individually costing less than ₹ 5,000/- is considered as one year.
- f) The intangible assets are amortized on a straight line basis over their expected useful lives as follows:
 - (i) Cable Television Franchise is amortized over a period of twenty years.
 - (ii) Non Compete Fees classified as Goodwill is amortized over the non-compete period stated in the underlying agreements and in absence of the same, over ten years.
 - (iii) Goodwill arising on transfer of business of subsidiaries is fully amortized in the same year.
 - (iv) Goodwill other than mentioned above is amortized over the specific tenor of the relevant agreement and in absence of such tenor, over ten years.
 - (v) Softwares are amortized over the license period and in absence of such tenor, over five years.
 - (vi) Movie and Serial Rights are amortized on exploitation over the balance license period in equal installments.
 - (vii) Bandwidth Rights are amortized over the period of the underlying agreements.

1.06 INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition related cost such as brokerage, fees and duties.

a) Long-Term Investments

Long-term investments in shares are stated at cost. The provision for diminution in value of long-term investments is made if such diminution is considered other than temporary.

b) Current Investments

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Certificate of Deposits are valued at lower of amount of cost and proportionate income thereon or rates published by FIMMDA. Other current investments are recorded at lower of cost or fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

1.07 INVENTORIES

Inventories are valued as follows:

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

Stock-in-trade comprising of Access Devices are valued at cost on weighted average method or at net realizable value, whichever is lower.

1.08 BORROWING COSTS

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other Borrowing costs are recognized as an expense in the period in which they are incurred.

1.09 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- a) A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the Balance Sheet date. Provisions are reviewed on each Balance Sheet date and are adjusted to effect the current best estimation.
- b) Contingent liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of:
 - (i) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
 - (ii) a possible obligation, unless the probability of outflow of resources is remote.
- c) Contingent Assets are neither recognized nor disclosed.

1.10 EMPLOYEE BENEFITS

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.
- b) Post employment and other long term employee benefits viz., gratuity, leave encashment, etc., are covered under Defined Benefit Plan. The cost of providing benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The amount of expense is determined on the basis of actuarial valuation at each year-end by Projected Unit Credit Method. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss in the period in which they occur. The Company presents the entire liability pertaining to leave encashment as a short term provision in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

1.11 EMPLOYEE STOCK OPTION SCHEME

Stock options granted under the stock options schemes are accounted as per the accounting treatment prescribed by the guidance note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India and SEBI (Share Based Employee Benefits) Regulations 2014. The excess of fair price on the date of grant over the exercise price is recognized uniformly over vesting period of the option.

1.12 ACCOUNTING FOR LEASES

The transactions where the Company conveys or receives right to use an asset for an agreed period of time for a payment or series of payments are considered as Lease.

a) As Lessee – Operating Lease

Lease rentals in respect of assets taken on 'Operating Lease' are charged to Statement of Profit and Loss over the lease term on systematic basis, which is more representative of the time pattern of the Company's benefit.

b) As Lessor – Operating Lease

Assets subject to Operating Leases are included in Fixed Assets. Lease income is recognized in the Statement of Profit and Loss over the lease term on systematic basis which is more representative of the time pattern of the Company's benefit. Costs, including depreciation are recognized as an expense in the Statement of Profit & Loss.

c) As Lessee – Finance Lease

Finance Leases, which effectively transfers to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets and depreciated as per the applicable policy.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of liability. Initial direct cost of lease is capitalized.

1.13 REVENUE RECOGNITION

Revenue is recognized on accrual basis to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

INCOME FROM SERVICES

- a) Subscription income includes subscription from Subscribers / Cable Operators relating to cable TV, Internet, activation of devices and from broadcasters relating to the placement of channels. Revenue from Operations is recognized on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties.
- b) Revenue from prepaid Internet Service plans, which are active at the end of accounting period, is recognized on time proportion basis. In other cases of prepaid Internet Service plans, entire revenue is recognized in the period of sale.
- c) Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the Company. In cases where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Company recognizes revenue as per invoice raised. Adjustments for the year, if any, arising on settlement is adjusted against the Revenue. Other cases are reviewed by the management periodically.
- d) Advertisement revenue is accrued on release of the advertisement for public viewing.
- e) The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

SALE OF GOODS

Revenue from sale of Access Devices is recognized when all the significant risks and rewards of ownership of the goods are passed to the buyer, usually on delivery of the devices. The Company collects value added taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company and hence not included in revenue.

OTHER OPERATING INCOME

Other Operating Income comprises of fees for rendering management, technical and consultancy services. Income from such services is recognized upon achieving milestones as per the terms of underlying agreements.

INTEREST INCOME

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

1.14 TAXATION

- a) Provision for Current Tax is made on the basis of taxable profits computed for the current accounting year in accordance with the Income Tax Act, 1961.
- b) Deferred Tax is calculated at the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognized on timing difference that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are recognized on carry forward of unabsorbed depreciation and tax losses, only if, there is virtual certainty that such deferred tax assets can be realized against future taxable income. Other deferred tax assets are recognized only to the extent that there is a reasonable certainty of realization in future.

1.15 FOREIGN CURRENCY TRANSACTIONS

- a) Foreign currency transactions are recorded at the exchange rate prevailing at the date of transactions. Exchange difference arising on settlement of transactions is recognized as income or expense in the year in which they arise except for transactions covered under (c) below.

- b) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at the year-end rate and difference in translations and realized gains / (losses) on foreign currency transactions are recognized in the statement of profit & loss except for transactions covered under (c) below.
- c) The exchange difference in respect of long-term monetary items arising in respect of accounting period commencing on or after December 07, 2006 to the extent they relate to the acquisition of depreciable capital assets are added to or deducted from the cost of the assets and are depreciated over the balance life of the assets.
- d) The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.
- e) Synthetic Swap:
Outstanding forward / future contracts against firm commitments and derivative contracts, other than stated above, are marked to market and the resulting loss, if any, is charged to the Statement of Profit & Loss. Gain, if any, on such marked to market is not recognized unless it is reversal of loss recognized earlier.

1.16 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 preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

1.17 IMPAIRMENT

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

1.18 MEASUREMENT OF EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

1.19 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank, cash in hand, demand deposits with banks and other short-term investments with an original maturity of three months or less.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.01 SHARE CAPITAL	As at March 31, 2015	As at March 31, 2014
SHARE CAPITAL		
Authorised Capital		
999,000,000 Equity Shares of ₹ 2 each (March 31, 2014: 199,800,000 Equity Shares of ₹ 10 each)	199.80	199.80
200,000 Non- Cumulative Redeemable Preference Shares of ₹ 10 each (March 31, 2014: 200,000 Non- Cumulative Redeemable Preference Shares of ₹ 10 each)	0.20	0.20
	200.00	200.00
Issued, Subscribed and Paid up Capital		
830,494,500 Equity Shares of ₹ 2* each (March 31, 2014: 151,998,900 Equity Shares of ₹ 10 each) fully paid-up	166.10	152.00
	166.10	152.00

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

(₹ in Crore unless otherwise stated)

	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
Equity Shares of ₹10 each				
Shares Outstanding at the beginning of the year	151,998,900	152.00	143,173,200	143.17
Shares Issued during the year under ESOP	-	-	29,700	0.03
Shares Issued during the year under Preferential allotment	14,100,000	14.10	8,796,000	8.80
Shares Bought back/ Other movements during the year	-	-	-	-
Shares Outstanding at the end of the year	166,098,900	166.10	151,998,900	152.00
Shares split during the year to ₹ 2* each	830,494,500	-	-	-
Shares Outstanding at the end of the year	830,494,500	166.10	-	-

* Pursuant to the sub-division of the Equity shares of the Company, each Equity share of the face value of ₹ 10/- was sub-divided into 5 Equity shares of the face value of ₹ 2/- each fully paid up w.e.f. January 07, 2015 and it ranks pari-passu in all respect with existing fully paid up Equity Shares of ₹ 10/- each.

b) Aggregate number of Bonus Shares Issued, Shares Allotted pursuant to contract(s) without payment being received in cash and shares bought back during the period of five years immediately preceding the reporting date:

	As at March 31, 2015	As at March 31, 2014
	No. of Shares	No. of Shares
Bonus Shares	74,236,874	74,236,874
Equity shares of ₹ 10 each allotted as fully paid bonus shares by capitalisation of Securities Premium Account in the year 2009-10	74,236,874	74,236,874

NOTES TO THE FINANCIAL STATEMENTS

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

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of	Face Value of ₹ 2 each		Face Value of ₹ 10 each	
Mr. Akshay Rajan Raheja	121,413,000	14.62	24,282,600	15.98
Mr. Viren Rajan Raheja	119,553,000	14.39	23,910,600	15.73
Hathway Investments Private Limited	81,845,015	9.85	16,369,003	10.77
P6 Mauritius India Holding Limited	70,717,760	8.15	14,143,552	9.31
Macquarie Bank Limited	78,232,133	9.42	10,556,644	6.95
Reliance Capital Trustee Co. Limited (A/C Reliance Equity Opportunities Fund)	42,245,525	5.09	-*	-*
Spur Cable and Datacom Private Limited	-*	-*	7,650,000	5.03

* Holding was less than 5 %

d) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

The Company has issued only one class of equity shares having face value of ₹ 2 (March 31, 2014 : ₹ 10) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

e) Shares reserved for issue under options

142,000 number of equity shares (March 31, 2014 : 161,299 equity shares) of ₹ 2 (March 31, 2014 : ₹ 10) each towards outstanding employees stock option granted/ available for grant. Refer Note 4.07.

(₹ in Crore unless otherwise stated)

2.02 RESERVES & SURPLUS

	As at March 31, 2015	As at March 31, 2014
Securities Premium		
Balances as at the beginning of the year	1,444.54	1,204.86
Add: Securities premium credited on Share issue	437.10	241.47
Less: Deduction during the year*	4.65	1.79
Balances as at the end of the year	1,876.99	1,444.54
Employee Stock Options Outstanding Account (Refer Note No. 4.07)		
Balances as at the beginning of the year	0.78	1.28
Add: Compensation for options during the year (net)	-	-
Less: Deduction during the year	0.70	0.50
Balances as at the end of the year	0.08	0.78
Surplus/ (Deficit) In the Statement of Profit and Loss		
Balance at the beginning of the year	(673.16)	(547.91)
Add : Adjustment relating to transitional provision contained in Schedule II (Refer Note No : 4.16)	(12.56)	-
Add : Net Profit/ (Loss) for the year	(175.22)	(125.25)
Less : Appropriations	-	-
Debit Balance in the Statement of Profit and Loss	(860.94)	(673.16)
	1,016.13	772.16

* The Company had issue and allotted 14,100,000 number of Equity Shares (March 31, 2014; 8,796,000) by way of preferential allotment as per the SEBI (ICDR) regulation 2009. Out of the total proceed received of ₹ 451.20 (March 31, 2014: ₹ 249.81), the Company has incurred ₹ 4.65 (March 31, 2014: ₹ 1.79) towards share issue expenses.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.03 LONG TERM BORROWINGS	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Term Loans				
Secured				
From Banks	199.46	63.75	-	7.50
From Financial Institutions	75.00	112.50	-	43.75
From Others	44.97	189.67	-	40.53
Buyers Credit				
Secured	194.37	328.45	255.55	132.83
Unsecured	110.79	-	-	-
Finance Lease Obligations				
Secured	49.96	107.09	57.14	49.98
	674.55	801.46	312.69	274.59
Amount disclosed under the head 'Other Current Liabilities' (Refer Note No. 2.06)				
- Current maturities of Long-Term Debts	-	-	255.55	224.61
- Current maturities of Finance Lease Obligations	-	-	57.14	49.98
Net Amount	674.55	801.46	-	-
The above amount includes				
Aggregate amount of Secured Borrowings	563.76	801.46	-	-
Aggregate amount of Unsecured Borrowings	110.79	-	-	-

(a) Nature of Security and terms of repayment for secured borrowings:

Nature of Security		Terms of Repayment
i	Term Loan from Banks	
a)	Term loan from Yes Bank Ltd. amounting to ₹ 115.71 (March 31, 2014: ₹ NIL) were secured by,	Principal repayable in 14 equal quarterly installments with 1st installment due 18 months after the date of drawdown i.e. April 04, 2014. Interest is payable on monthly basis. Applicable Rate of Interest is 11.50%.
1)	pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	
2)	pari passu hypothecation of present & future Current Assets of the Company.	
b)	Term loan from HDFC Bank Ltd. amounting to ₹ 33.75 (March 31, 2014: ₹ 56.25) are secured by,	Principal repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown i.e. April 25, 2013. Interest is payable on monthly basis. Applicable Rate of Interest is HDFC Bank Base rate + 1.50%. (March 31, 2014: HDFC Bank Base rate +2.55%)
1)	pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	
2)	pari passu hypothecation of present & future Current Assets of the Company.	

NOTES TO THE FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
<p>c) Term loan from ING Vysya Bank Ltd. amounting to ₹ 50.00 (March 31, 2014: ₹15) are secured by.</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company. 	<p>Principal repayable on completion of 3 years from the date of drawdown i.e. (Tranch I - February 21, 2014 for ₹ 15.00, Tranche II - May 28, 2014 for ₹ 20.00, Tranche III - July 24, 2014 for ₹ 15.00). Interest is payable on monthly basis. Applicable Rate of Interest is ING Vysya Bank Base rate + 0.70%. (March 31, 2014: ING Vysya Bank Base rate + 1.95%)</p>
<p>d) Term loan from ICICI Bank Ltd. amounting to ₹ NIL (Sanctioned amount - ₹ 200.00) are secured by.</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company. 	<p>For Rupee Term loan drawdown, principal repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown. Applicable rate of Interest is ICICI Bank Base rate + 2.40%</p>
<p>ii Term Loan from Financial Institutions</p>	
<p>a) Term loan from IDFC Ltd. amounting to ₹ NIL (March 31, 2014: ₹ 6.25) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature. 4) First charge on the uncalled capital of the company. 5) Lien on Fixed Deposits with Bank of ₹ NIL (March 31, 2014: ₹ 2.70) 	<p>The loan was prepaid during the year.</p>
<p>b) Terms loan from IDFC Ltd. amounting to ₹ 75.00 (March 31, 2014: ₹ 150.00) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 3) pari passu first charge on present & future book debts, operating cash flows, receivables, revenues of whatsoever nature. 4) First charge on the uncalled capital of the company. 5) Lien on Fixed Deposits with Bank of ₹ 18.64 (March 31, 2014: ₹ 18.64) 	<p>Principal repayable in 16 equal quarterly installments of ₹ 9.38 commencing from 15th April 2015. Interest is payable on monthly basis. Applicable Rate of Interest is 11.50%. (IDFC Benchmark rate + 3%)</p>
<p>iii Term Loan from others</p>	
<p>a) Term loan from HDFC Ltd. amounting to ₹ 44.97 (March 31, 2014: ₹142.70) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 	<p>Principal repayable in 16 equal quarterly installments of ₹ 12.17 along with Interest commencing from May 23, 2014. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC PLR - 6.60%. (March 31, 2014: HDFC PLR - 4.50%)</p>

NOTES TO THE FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
<p>b) Term loan from GE Money Financial Services Pvt. Ltd. amounting to ₹ NIL (March 31, 2014: ₹ 87.50) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 	The loan was Prepaid during the year.
iv Buyers Credit	
<p>a) Buyers Credit from Axis Bank Ltd. amounting to ₹ 127.62 (March 31, 2014: ₹202.70) are secured by, (Out of the same ₹ 102.34 (March 31, 2014 ₹ 98.10) is a sub-limit of Term loan of ₹ 100.00) hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future.</p>	Principal repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown. (An amount of ₹ 102.34 (March 31, 2014 ₹ 98.10) is a sub-limit of Term loan sanctioned of ₹ 100.00 repayable in 12 equal quarterly instalments from the 27th month of opening of capex LC either in the form of cash margin or actual repayment i.e. (May 11, 2015).
<p>b) Buyers Credit from Yes Bank Ltd. amounting to ₹ 161.80 (March 31, 2014: ₹ 134.72) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future. 2) Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit & additional 10% at the end of 2 years. 	Principal repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.
<p>c) Buyers Credit from ING Vysya Bank Limited amounting to ₹ 60.55 (March 31, 2014: ₹ 28.23) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 	Principal repayable with Interest on completion of 3 years from the date of drawdown. Interest is payable on half yearly basis. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.
<p>d) Buyers Credit from ING Bank N.V., Singapore amounting to ₹ 99.95 (March 31, 2014: ₹ 95.64) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 	Principal repayable on completion of 3 years from the date of underlying shipment/ drawdown. Applicable Rate of Interest is 6 months JPY LIBOR + 3.50% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.
<p>e) Buyers Credit from ICICI Bank Ltd amounting to ₹ 110.79 (March 31, 2014: ₹ NIL) (Sanctioned amount USD 30 Million) - Unsecured.</p>	Principal repayable on completion of 2 years from the date of each drawdown. Applicable Rate of Interest is 6 months JPY LIBOR + 3.50% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.
v Finance Lease Obligations	
Cisco System Capital (India) Pvt. Ltd. - Finance Lease amounting to ₹ 107.10 (March 31, 2014: ₹157.07) secured by hypothecation of underlying assets taken on lease.	Principal with Interest is payable in quarterly installments over the period of 5 years from inception of lease agreement. Applicable Rate of Interest varies between 9% - 10% p.a.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.04 OTHER LONG-TERM LIABILITIES	As at March 31, 2015	As at March 31, 2014
Others		
Income received in advance (Refer Note No. 2.06)	-	0.01
Security Deposits (Refer Note No. 2.06)	14.97	11.23
Mark to Market Losses on Derivatives (Net) (Refer Note No. 2.06)	5.27	-
	20.24	11.24

(₹ in Crore unless otherwise stated)

2.05 SHORT TERM BORROWINGS	As at March 31, 2015	As at March 31, 2014
Loans repayable on demand		
Secured		
Working Capital Loans repayable on demand from a bank	35.00	6.00
Cash Credit with banks	51.77	46.67
Overdraft with bank	10.00	-
Unsecured Loans		
Loans & Advances from Related Parties	2.40	-
	99.17	52.67

(a) Nature of Security for secured borrowings :

Nature of Borrowing	Nature of Security
i a) Working Capital Demand Loan from ING Vysya Bank Ltd. outstanding ₹ 35.00 (March 31, 2014: ₹ 6.00) (Sanctioned Amount ₹ 75.00) (Sublimit of Letter of Credit/ Letter of Undertaking for Buyers Credit of ₹ 75.00)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
ii a) Cash Credit with Axis Bank Ltd outstanding ₹ 31.70 (March 31, 2014: ₹ 40.49) (Sanctioned ₹ 70.00)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
b) Cash Credit with Yes Bank Ltd amounting to ₹ 0.08 (March 31, 2014: ₹ 6.18) (Sanctioned Cash Credit Amount ₹ 25.00 & Working Capital Demand Loan ₹ 25.00) (Sublimit of Letter of Credit/ Letter of Undertaking for Buyers Credit of ₹ 150.00)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
c) Cash Credit with ING Vysya Bank Ltd amounting to ₹ 19.99 (March 31, 2014: ₹ NIL) (Sanctioned Amount ₹ 20.00) (Sublimit of Letter of Credit/ Letter of Undertaking for Buyers Credit of ₹ 75.00)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
d) Overdraft with ICICI Bank Ltd amounting to ₹ 10.00 (March 31, 2014: ₹ NIL) (Sanctioned Amount ₹ 10.00)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
iii a) Loan from Hathway Broadband Private Limited amounting to ₹ 2.40 (March 31, 2014: ₹ NIL)	Unsecured

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.06 OTHER CURRENT LIABILITIES	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Trade Payables				
Micro and Small Enterprises *	-	-	-	-
Others	-	-	120.78	107.05
	-	-	120.78	107.05
Current maturities of Long-Term Debts (Refer note no. 2.03)	-	-	255.55	224.61
Current maturities of Finance Lease Obligations (Refer note no. 2.03)	-	-	57.14	49.98
Interest accrued but not due on borrowings	-	-	6.39	5.63
Income received in advance	-	0.01	45.23	38.61
Statutory Payables	-	-	11.08	31.31
Payables - Capital Expenditure	-	-	46.76	72.19
Employee Payables	-	-	1.58	3.82
Gratuity (Funded Plans)	-	-	0.10	-
Security Deposits	14.97	11.23	-	0.41
Advance from Customers	-	-	16.80	15.31
Mark to Market Losses on Derivatives (Net)	5.27	-	-	-
Other Liabilities	-	-	39.16	27.09
	20.24	11.24	479.79	468.96
Amount disclosed under 'Other long-term liabilities' (Note No. 2.04)	20.24	11.24	-	-
	-	-	600.57	576.01

* As per the information available with the Company, none of the creditors qualify as supplier under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") and accordingly no disclosure is made pursuant to section 22 of the Act.

(₹ in Crore unless otherwise stated)

2.07 SHORT TERM PROVISIONS	Short-term	
	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits		
Leave Encashment	4.30	4.00
Other Employee Benefits	0.66	3.16
	4.96	7.16

NOTES TO THE FINANCIAL STATEMENTS

FIXED ASSETS

	Gross Block (at Cost)				Depreciation/Amortisation/Impairment				Net Block	
	As at 01-04-2014		As at 31-3-2015		As at 01-04-2014		As at 31-3-2015		As at 31-3-2015	
	As at	Additions during the year	Deductions during the year	Other Adjustments*	As at	Additions during the year**	Deductions during the year	Other Adjustments*	As at	As at
2.08 TANGIBLE ASSETS										
Own Assets:										
Plant and Machinery	1,417.36	234.43	183.15	18.46	507.51	217.97	179.14	(54.82)	491.52	995.58
Air Conditioners	4.27	1.03	-	-	2.20	0.83	-	0.18	3.21	2.09
Structural Fittings	2.61	0.30	0.09	-	0.98	0.66	0.07	0.38	1.95	0.87
Furniture & Fixtures	11.86	2.68	0.03	-	7.50	0.87	0.02	(0.68)	7.67	6.84
Mobile, Pagers & Telephones	1.75	0.10	-	-	1.28	0.24	-	0.07	1.59	0.46
Computers	13.40	2.27	0.09	-	11.62	0.78	0.08	(0.07)	12.25	3.33
Office Equipments	2.89	0.30	-	-	1.52	0.53	-	0.16	2.21	0.98
Electrical Fittings	3.22	0.74	0.02	-	1.93	0.31	0.01	(0.09)	2.14	1.38
Motor Vehicles	1.37	0.31	0.08	-	1.00	0.13	0.07	(0.13)	0.93	0.37
Movie Master Tapes	0.18	-	-	-	0.17	-	-	-	0.17	0.01
	1,458.91	242.16	183.46	18.46	535.71	222.32	179.39	(55.00)	523.64	1,012.43
Assets Taken on Finance Lease:										
Plant and Machinery	201.45	-	-	(18.46)	30.48	18.57	-	(9.01)	40.04	142.95
	201.45	-	-	(18.46)	30.48	18.57	-	(9.01)	40.04	170.96
Total	1,660.36	242.16	183.46	-	566.19	240.90	179.39	(64.01)	563.68	1,155.38
Previous Year	1,257.57	475.59	72.81	-	448.34	188.20	70.35	-	566.19	1,094.16
Capital Work in Progress:										
Total	-	-	-	-	-	-	-	-	-	156.60
Previous Year	-	-	-	-	-	-	-	-	-	228.98

* During the year the Company has reclassified Assets under Finance Lease amounting to ₹ 18.46 (March 31, 2014: ₹ NIL) (Gross Block) and ₹ 9.01 (March 31, 2014: ₹ NIL) (Depreciation) as Owned Assets on completion of the lease period.

** Additions to Depreciation includes Impairment of Plant and Machinery ₹ 3.98 (March 31, 2014: ₹ 7.53) & Other ₹ NIL (March 31, 2014: ₹ 8.056)

	Gross Block (at Cost)				Depreciation/Amortisation/Impairment				Net Block	
	As at 01-04-2014		As at 31-3-2015		As at 01-04-2014		As at 31-3-2015		As at 31-3-2015	
	As at	Additions during the year	Deductions during the year	Other Adjustments*	As at	Additions during the year**	Deductions during the year	Other Adjustments*	As at	As at
2.09 INTANGIBLE ASSETS										
Goodwill	32.15	-	-	-	26.49	0.74	-	-	27.23	4.92
Cable Television Franchisee	73.08	2.53	-	-	33.14	5.37	-	-	38.50	37.11
Movie & Serial Rights	6.93	11.89	-	-	5.92	3.89	-	-	9.81	9.01
Softwares	69.77	25.67	-	-	24.18	17.70	-	-	41.89	53.55
Bandwidth Rights	14.14	3.13	-	-	3.41	1.35	-	-	4.76	12.51
Total	196.07	43.22	-	-	93.14	29.05	-	-	122.19	117.10
Previous Year	159.32	38.06	1.31	-	72.30	22.15	1.31	-	93.14	102.93

Note :

Range of remaining period of amortisation of Intangible Assets is as below :

Assets	0 to 5 Year	5 to 10 Year	10 to 15 Year	15 to 20 Year	Total WDV
Goodwill	3.18	1.74	-	-	4.92
Cable Television Franchisee	17.23	12.69	6.84	0.34	37.11
Movie & Serial Rights	9.01	-	-	-	9.01
Softwares	53.55	-	-	-	53.55
Bandwidth Rights	4.86	4.92	2.74	-	12.51

** Additions to Amortisation includes Impairment of Cable Television Franchisee ₹ 0.12 (March 31, 2014: ₹ 0.52) & Software ₹ NIL (March 31, 2014: ₹ 0.01)

Based on factors such as past experience, industry trends, value added services and quality of services provided by the Company, trends in other countries, various changes proposed in the regulations governing the industry, future business plans, estimated residual value etc., the Company is of the opinion that the useful life of the Cable Television Franchisee acquired by the company will exceed twenty years. Accordingly, the same has been amortized over a period of twenty years from the date of acquisition.

Based on factors such as past experience, remaining contract period, industry trends, estimated residual value etc. the Company is of the opinion that the useful life of the Movie & Serial Rights acquired by the company will exceed fifteen years. Accordingly, the same has been amortized up to a period of fifteen years from the date of commencement of the agreement.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.10 NON-CURRENT INVESTMENT

	FACE VALUE	As at March	As at March	As at March	As at March
		31, 2015	31, 2015	31, 2014	31, 2014
	₹ Per Unit	Quantity	Amount	Quantity	Amount
Trade investments (valued at cost)					
Quoted equity instruments					
Investment in Equity Shares of Subsidiaries					
Hathway Bhawani Cabletel and Datacom Ltd.	10	2,020,000	2.39	1,920,000	2.28
			2.39		2.28
Unquoted equity instruments					
Investment in Equity Shares of Subsidiaries					
GTPL Hathway Pvt. Ltd (formerly known as Gujarat Telelink Pvt. Ltd)	10	1,000,000	166.26	1,000,000	166.26
Hathway Datacom Central Pvt Ltd (formerly known as Hathway Bhaskar Multinet Pvt. Ltd.)	10	1,454,400	97.91	1,374,400	85.91
Hathway Sai Star Cable & Datacom Pvt. Ltd.	10	68,850	27.09	68,850	27.09
Hathway Broadband Private Limited	10	2,500,000	2.50	-	-
Hathway Sonali Om Crystal Cable Pvt. Ltd.	10	51,000	16.36	51,000	16.36
Hathway Rajesh Multi Channel Pvt. Ltd.	10	144,849	7.44	144,849	7.44
Hathway New Concept Cable & Datacom Pvt. Ltd.	10	25,500	7.14	25,500	7.14
Hathway MCN Pvt. Ltd.	10	963,000	8.01	963,000	8.01
Hathway Channel 5 Cable & Datacom Pvt. Ltd. ##	10	249,000	6.28	249,000	6.28
Hathway Media Vision Pvt. Ltd. ##	10	65,040	5.92	65,040	5.92
Hathway Krishna Cables Pvt. Ltd.	10	6,068,333	19.55	5,235,000	17.05
Hathway Dattatray Cable Network Pvt. Ltd.	10	20,400	4.05	20,400	4.05
Hathway Kokan Crystal Network Pvt. Ltd.	10	49,394	3.66	49,394	3.66
Ideal Cables Pvt. Ltd. ##	10	76,020	2.22	76,020	2.22
Net 9 Online Hathway Pvt. Ltd.	10	5,000	2.01	5,000	2.01
Hathway Cable MCN Nanded Pvt Ltd	10	1,305,717	1.31	1,305,717	1.31
Channels India Network Pvt. Ltd. ##	10	87,500	1.09	87,500	1.09
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	10	51,000	0.92	51,000	0.92
Vision India Networks Pvt. Ltd. ##	10	87,700	0.74	87,700	0.74
Hathway Palampur Cable & Datacom Pvt. Ltd.	10	15,300	0.68	15,300	0.68
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	10	10,200	0.66	10,200	0.66
Hathway C-Net Pvt. Ltd. ##	10	100,000	0.60	100,000	0.60
Chennai Cable Vision Network Pvt. Ltd. ##	10	136,800	0.56	136,800	0.56
Hathway Nashik Cable Network Pvt. Ltd. ##	10	45,300	0.45	45,300	0.45
Hathway ICE Television Pvt. Ltd. ##	10	102,000	0.41	102,000	0.41
Bee Network & Communication Pvt. Ltd. ##	10	99,989	0.40	99,989	0.40
Hathway Mysore Cable Network Pvt. Ltd.	10	523,100	3.64	523,100	3.64
UTN Cable Communications Pvt. Ltd.	10	631,500	7.88	375,500	2.76
Hathway Prime Cable & Datacom Pvt. Ltd. ##	10	229,500	0.23	229,500	0.23
Win Cable and Datacom Pvt. Ltd. ##	10	200,000	0.20	200,000	0.20
Hathway Software Developers Pvt. Ltd.	10	268,000	2.20	268,000	2.20
Elite Cable Network Pvt. Ltd. ##	10	48,000	0.05	48,000	0.05
Hathway Space Vision and Cabletel Pvt. Ltd. ##	10	10,020	0.01	10,020	0.01
Hathway Enjoy Cable Network Pvt. Ltd.	10	10,000	0.01	10,000	0.01

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.10 NON-CURRENT INVESTMENT	FACE VALUE	As at March 31, 2015		As at March 31, 2014		
		₹ Per Unit	Quantity	Amount	Quantity	Amount
Hathway Gwalior Cable & Datacom Pvt. Ltd.##	10		10,000	0.01	10,000	0.01
Hathway JMD Farukabad Cable & Datacom Pvt. Ltd. ##	10		10,000	0.01	10,000	0.01
Binary Technology Transfers Pvt. Ltd. ##	100		1,000	0.01	1,000	0.01
Hathway Internet Satellite Pvt.Ltd. ##	10		10,000	0.01	10,000	0.01
Hathway United Cables Pvt. Ltd. ##	10		10,000	0.01	10,000	0.01
Hathway Universal Cabletel and Datacom Pvt. Ltd. ##	100		1,000	0.01	1,000	0.01
ITV Interactive Media Pvt. Ltd. ##	100		8,250	0.08	8,250	0.08
Liberty Media Vision Pvt. Ltd. ##	10		10,000	0.01	10,000	0.01
Hathway Mantra Cable & Datacom Pvt. Ltd.	10		9,800	0.01	9,800	0.01
				398.60		376.48
Less : Provision for diminution in value				23.35		13.15
				375.25		363.33
Investment in Equity Shares of Joint Venture						
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	10		71,075	4.02	71,075	4.02
Less : Provision for diminution in value				2.01		-
				2.01		4.02
Investment in Equity Shares of Associates						
Hathway VCN Cablenet Pvt. Ltd. ##	10		12,520	0.10	12,520	0.10
Pan Cable Services Pvt. Ltd. ## (₹ 100 (March 31, 2014 : ₹ 100)	10		10	0.00	10	0.00
Less : Provision for diminution in value				0.10		0.10
				-		-
Investment in Equity Shares of other Companies						
Hathway Cable Entertainment Pvt. Ltd. ##	10		47,009	0.05	47,009	0.05
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd. ##	10		60,000	0.22	60,000	0.22
Less : Provision for diminution in value				0.27		0.22
				-		0.05
Investment in Preference Shares of Subsidiary						
Hathway Datacom Central Pvt Ltd (formerly known as Hathway Bhaskar Multinet Pvt. Ltd.)	10		51,020	0.05	51,020	0.05
Investment in Partnership Firm						
Hathway SS Cable & Datacom LLP				1.73		1.73
Others Investments (valued at cost)						
Unquoted Investment in Government Securities National Savings Certificates				0.15		0.15
Total Non-current Investments				381.57		371.61
Aggregate amount of quoted investments				2.39		2.28
Market Value of Quoted Investments				2.15		1.80
Aggregate amount of unquoted investments				379.18		369.31
Aggregate provision for diminution in value of investments				25.73		13.47

Fully provided for

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.11 DEFERRED TAX ASSETS (NET)

	As at March 31, 2015	As at March 31, 2014
Deferred Tax Liabilities on		
a) Difference between book and tax depreciation	74.34	98.38
Deferred Tax Assets on		
a) Unabsorbed Depreciation Losses*	74.34	98.38
NET DEFERRED TAX ASSETS	-	-

* The Company has substantial unabsorbed depreciation and carry forward losses under the Income Tax Act, 1961. The deferred tax assets relating to such unabsorbed depreciation and other items is significantly higher than deferred tax liabilities arising on account of timing differences. On conservative approach, the Company has recognized deferred tax assets on unabsorbed depreciation only to the extent of its deferred tax liabilities. Disclosure relating deferred tax liabilities required pursuant to Accounting Standard 22 – “Accounting for Taxes on Income” is as above.

(₹ in Crore unless otherwise stated)

	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
2.12 TRADE RECEIVABLES				
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	1.08	11.13	302.20	266.22
Doubtful Outstanding	145.53	92.51	-	-
	146.61	103.64	302.20	266.22
Less: Provision for doubtful trade receivables	145.53	91.43	-	-
	1.08	12.21	302.20	266.22
Outstanding for a period exceeding six months from the date they are due for payment			68.03	72.24
Other receivables			234.18	193.98
	-	-	302.21	266.22

(₹ in Crore unless otherwise stated)

	Long - Term		Short - Term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
2.13 LOANS AND ADVANCES				
CAPITAL ADVANCES				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	11.00	0.75	-	-
Advance to Suppliers	5.03	22.96	-	-
Less: Provision for doubtful advances	0.82	0.51	-	-
	15.21	23.20	-	-
SECURITY DEPOSITS				
Unsecured, considered good				
Security Deposits	20.13	14.35	0.76	3.85
	20.13	14.35	0.76	3.85

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.13 LOANS AND ADVANCES (Contd.)	Long - Term		Short - Term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
LOANS AND ADVANCES TO RELATED PARTIES				
Unsecured, considered good unless stated otherwise				
Advance to Subsidiaries	49.69	53.08	11.68	10.30
Advance to Firm in which Subsidiaries are partner	17.16	17.16	-	-
Advance to other Cable Ventures	6.09	6.10	-	-
Share Application Money	44.54	3.38	-	-
Less: Provision for doubtful loans and advances	66.30	64.30	-	-
	51.18	15.42	11.68	10.30
OTHER LOANS AND ADVANCES				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	7.33	3.95	10.72	14.12
Staff Advances	0.11	0.30	0.44	0.32
Staff Loan	-	0.03	0.35	0.42
Sundry Advances	13.05	3.57	47.39	39.27
Advances with Statutory Authorities	8.19	4.41	-	-
Service Tax Claimable	-	-	37.52	51.64
Loans Given	0.33	0.33	0.05	0.03
Advance Income Tax (Net of Provision)	42.69	25.26	23.22	19.78
Less: Provision for doubtful loans and advances to others	2.46	2.46	-	-
	69.25	35.39	119.69	125.58
	155.77	88.36	132.14	139.73

(₹ in Crore unless otherwise stated)

2.14 OTHER ASSETS	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good unless stated otherwise				
Non-current other bank balances (Note No. 2.17)	60.15	61.66	-	-
Other Receivables	-	-	2.63	0.64
Interest accrued but not due	-	-	1.09	1.02
Others	0.48	0.50	-	-
	60.63	62.16	3.72	1.66

(₹ in Crore unless otherwise stated)

2.15 CURRENT INVESTMENTS	FACE VALUE ₹ Per Unit	As at March	As at March	As at March	As at March
		31, 2015	31, 2015	31, 2014	31, 2014
		Quantity	Amount	Quantity	Amount
Current investments (valued at lower of cost and fair value, unless stated otherwise)					
Investments in Debt Market Mutual Fund					
Quoted					
- Franklin Templeton Mutual Fund					
Franklin India Treasury Management Account-Super IP - Growth	1000	289,119	60.23	-	-
Franklin India Ultra Short Bond Fund - Super IP - Growth	10	5,945,528	11.00	-	-
- HDFC Mutual Fund					
HDFC Liquid Fund- Growth	10	6,493,897	17.88	-	-
Total Current Investments			89.11		
Aggregate amount of quoted investments			89.11		
Market Value of Quoted Investments			89.28		
Aggregate amount of unquoted investments			-		

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

2.16 INVENTORIES

	Current	
	As at March 31, 2015	As at March 31, 2014
Inventories :		
Stock of Spares & Maintenance Items	6.02	1.73
	6.02	1.73

(₹ in Crore unless otherwise stated)

2.17 CASH AND BANK BALANCES

	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Cash & Cash Equivalents				
Balances with banks:				
In Current Accounts	-	-	17.33	1.09
Cash in hand	-	-	3.08	1.86
	-	-	20.41	2.95
Other Bank Balance				
Margin money deposit*	60.15	61.66	-	-
	60.15	61.66	-	-
Less: Amount disclosed under non current asset (Refer Note 2.14)	60.15	61.66	-	-
* Marked under lien in favour of Banks	-	-	20.41	2.95

(₹ in Crore unless otherwise stated)

3.01 REVENUE FROM OPERATIONS

	Year ended March 31, 2015	Year ended March 31, 2014
Sale of services		
Subscription Income*	994.58	900.50
Rental Income on Equipments*	1.91	3.66
Consultancy Income	3.13	3.08
Advertisement and Marketing Fees	19.11	55.52
Commission Income (₹ 3,453 (March 31, 2014 : ₹ 84,77,489)	0.00	0.85
	1,018.72	963.61
Sale of products		
Sale of Access Devices	0.72	13.68
	0.72	13.68
Other operating revenues		
Other Operational Income*	3.47	2.81
	3.47	2.81
	1,022.91	980.10

* The above includes revenue from Internet Services, the details of the same are as under :

(₹ in Crore unless otherwise stated)

REVENUE FROM INTERNET SERVICES

	Year ended March 31, 2015	Year ended March 31, 2014
Activation Charges	2.93	2.40
Internet Subscription Income	191.20	138.13
Rental Income on Equipment	0.98	1.22
Other Operational revenue	0.85	1.04

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

3.02 OTHER INCOME	Year ended March 31, 2015	Year ended March 31, 2014
Profit on Sale of Current Investments (Net)	7.24	2.45
Amount No Longer Payable Written Back	0.18	0.26
Interest on Fixed Deposits	5.39	3.92
Interest on Income Tax Refund	0.27	-
Gain on Foreign Exchange Fluctuation (Net)	0.51	-
Interest on Loans	0.60	0.47
Miscellaneous Income	0.30	0.60
	14.49	7.70

(₹ in Crore unless otherwise stated)

3.03 PURCHASE OF STOCK-IN-TRADE	Year ended March 31, 2015	Year ended March 31, 2014
Purchase of Access Device	0.19	13.01
	0.19	13.01

(₹ in Crore unless otherwise stated)

3.04 OPERATIONAL EXPENSES	Year ended March 31, 2015	Year ended March 31, 2014
Pay Channel Cost	383.99	325.88
Distribution Cost	48.57	79.49
Commission	31.79	31.09
Local Cable Operator Revenue Share	27.51	18.06
Bandwidth & Lease Line Cost	26.97	18.82
Other Sundry Operational Cost	10.43	19.28
Repairs & Maintenance (Plant & Machinery)	27.21	23.51
Rent	14.29	11.70
Consultancy & Technical Fees	14.51	9.18
Feed charges	5.99	5.28
Software & Programming Cost	2.70	1.95
Freight & Octroi Charges	1.30	1.99
Hire Charges	0.40	0.86
	595.66	547.09

(₹ in Crore unless otherwise stated)

3.05 EMPLOYEE BENEFITS EXPENSE	Year ended March 31, 2015	Year ended March 31, 2014
Salaries & Bonus	55.77	47.39
Staff Welfare	3.37	2.69
Contribution to provident and other fund	3.11	2.19
Employee Stock Compensation Expense	(0.70)	(0.34)
	61.55	51.93

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

3.06 OTHER EXPENSES	Year ended March 31, 2015	Year ended March 31, 2014
Service Charges	75.92	43.98
Bad Debts	10.36	10.71
Less: Transfer from Provision for Doubtful Debts	10.36	10.71
	-	-
Provision for Bad and Doubtful debts	53.86	41.25
Electricity Expenses	15.37	13.16
Loss on disposal / shortage of assets	3.31	4.31
Loss from Share of Profit / Loss in LLP	0.19	0.52
Loss on Foreign Exchange Fluctuation (Net)	-	8.38
Rates & taxes	15.21	15.47
Office Expenses	5.19	10.94
Legal & Professional Charges	12.89	10.43
Advertisement & Promotion expenses	9.76	4.34
Conveyance	5.28	6.07
Repairs & Maintenance (Others)	4.98	2.85
Rent - Offices	7.37	6.50
Communication Charges	3.14	3.22
Travelling	4.95	4.51
Printing & Stationery	1.55	2.40
Miscellaneous Expenses	1.63	1.65
Business Promotion Expenses	1.39	0.86
Insurance Charges	1.30	1.38
Interest on Taxes	1.25	0.60
Provision for Bad & Doubtful Advances	0.31	0.46
Sundry Advances Written Off	0.22	0.19
Sitting Fees	0.24	0.13
Auditor's Remuneration		
- Statutory Audit Fees	0.50	0.50
- Tax Audit Fees	-	0.15
- Limited Review, Consolidation & Certification Fees	0.21	0.21
- Other Consultancy Services	0.03	0.03
	226.05	184.49

(₹ in Crore unless otherwise stated)

3.07 DEPRECIATION AND AMORTISATION	Year ended March 31, 2015	Year ended March 31, 2014
Depreciation on Tangible Assets	212.00	192.36
Amortisation of Intangible Assets	10.88	9.93
	222.88	202.29

NOTES TO THE FINANCIAL STATEMENTS

3.08 FINANCE COST

	Year ended March 31, 2015	Year ended March 31, 2014
Interest and Finance Charges	86.45	76.97
Bank Charges	14.04	15.55
Mark to Market Losses on Derivatives (Net)	5.27	-
	105.76	92.52

(₹ in Crore unless otherwise stated)

3.09 EXCEPTIONAL ITEMS *

	Year ended March 31, 2015	Year ended March 31, 2014
Depreciation reversal on account of change in method from WDV to SLM and Change in estimate of life as per the Schedule II of Companies Act, 2013	(64.02)	-
Marked down in value of certain assets towards abnormal wear and tear	29.69	-
Provision for Doubtful Advances / Investments / Receivables from entities Under Control / Significant Influence	27.42	10.60
Provision for Entertainment Tax of earlier years on settlement of litigation	3.07	-
	(3.84)	10.60

* Refer Note 4.5

4.01 CONTINGENT LIABILITIES

(₹ in Crore unless otherwise stated)

- The Company has given a counter indemnity favouring the bankers to the extent of ₹ 9.58 (March 31, 2014: ₹ 3.90) for issue of Bank Guarantees on behalf of the Company to various authorities/parties.
- The Company has given Corporate Guarantees of ₹ 135.18 (March 31, 2014: ₹ 115.08) to Banks and ₹ 32.80 (March 31, 2014: ₹ 32.80) to Others towards various credit facilities given by the Bank & Others to some of its subsidiary companies.
- Few Boardcasters 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 ₹ 21.80 (March 31, 2014: ₹ 7.17) to the extent 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, 2014 : ₹ 18.05) for the period April, 2011 to May 31, 2013. The Company's appeal is pending before Tribunal. The Company has deposited 50% of the amount demanded. The authorities have also levied penalty @ 100% of demand without giving an opportunity of hearing. On writ petition, Andhra Pradesh High Court has directed to initiate fresh proceedings. Since this demand was based on an advance ruling order given by relevant authority in some other case, the Company being an affected party, has filed review petition before the Advance Ruling authority. The matter has been admitted and heard, however, the decision is awaited.
- In view of circular dated December 17, 2012 of the Delhi Entertainment Tax Department, MSOs are responsible for collection and payment of Entertainment Tax effective April 1, 2013, while LCOs are liable to collect and pay tax till that date. Pursuant to this circular, an assessment order has been passed against the Company raising a demand of ₹ 5.95 (including penalty of ₹ 2.89 & interest of ₹ 0.07) for the months of April 2013 and May 2013. Aggrieved by the said assessment order, the Company has challenged the vires of the above amendment brought about by the Entertainment Tax department by way of issue of a circular, instead of amending the charging section of the relevant Act and has filed a Writ petition before the High Court of Delhi. The petition was admitted and stay has been granted. While the Honorable High Court is yet to decide in the matter, the authorities have passed two assessment orders, first for the period June 2013 to March 2014 raising a demand of ₹ 27.22 (including penalty and interest of ₹ 12.26) and second for the period April 2014 to March 2015 for ₹ 33.61 (including interest and penalty of ₹ 15.65). In response to stay application filed by the Company against the fresh assessment orders, the honorable High Court has directed the department not to take any coercive measures against the Company till the writ petition is disposed off.

During the period from December, 2013 to September, 2014, since the Company issued subscription invoices directly in the name of subscribers, charging Delhi Entertainment Tax in the same, it has acknowledged its liability to the extent of ₹ 9.70 (March 31, 2014 : ₹ 3.86) in its books of accounts. In view of the same, the aggregate amount of claims disputed by the Company is ₹ 57.08 (March 31, 2014 : ₹ 2.98). The Company has paid sum of ₹ 6.73 (March 31, 2014 : ₹ NIL) against this demand.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

- f) Entertainment Tax Officer, Pune has raised demand for Entertainment Tax on secondary points up to October, 2014 amounting to ₹ 4.57. Writ petition has been filed before the Bombay High Court challenging the demand. Another writ petition has also been filed challenging the constitutional validity, enforceability and legality of the amendment in the Maharashtra Entertainments Duty Act, 1923 brought about w e f June 25, 2014.
- g) Karnataka VAT Department has reassessed VAT liabilities 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. The honorable High Court has admitted the writ petition and has granted an order of stay over recovery of taxes.
- h) Income Tax Matters

Particulars	2014-2015	2013-2014
Disputed Income Tax matter under appeal (Of the above an amounts of ₹ 1.99 has already been deposited with Income Tax Department)	3.99	3.99

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

Matters with	2014-2015	2013-2014
Operators & Others	4.05	2.69
Entertainment Tax Department in the city of Thane, Aurngabad, Agra, Ghaziabad and Hyderabad	5.85	5.93
Other Statutory Departments	0.05	0.05
VAT department in the State of Maharashtra	0.68	0.93
Service Tax department	0.16	-
Commercial Tax department Madhya Pradesh	0.81	-
Total	11.60	9.60

4.02 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 ₹ 64.26 (March 31, 2014: ₹122.67).

The Company in its ordinary course of business has promoted / acquired interest in various entities. Considering the long-term involvement of the Company in these entities and strategic impact it has on the business of the Company, the Company is committed to provide operating and financial support to these entities as and when required.

4.03 MATTERS RELATING TO SUBSIDIARIES:

Two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. and Hathway Internet Satellite Pvt. Ltd. were majority partners in a partnership firm, namely, M/s. Hathway Space Vision (the firm). The aforesaid majority partners of the firm had initiated legal action i.e. invoked arbitration proceedings, against the minority partner viz. Space Vision Cabletel Pvt. Ltd. with reference to some management and operational issues and had made monetary claims against the minority partner. The minority partner had also filed certain counter claims against the wholly owned subsidiaries. After a long drawn legal battle, the firm stands dissolved as of July 8, 2011. The Court Receiver, High Court of Bombay has been appointed as the Receiver of the assets and business of the firm and Hathway Internet Satellite Private Limited has been appointed as the Agent of the Court Receiver. The issues concerning accounts and dissolution including adjudicating upon the original claims and counter claims made before the earlier Arbitrator are referred to Arbitration before Justice Srikrishna (Retd.). The Court Receiver had taken the possession of the movable assets found at the premises of the Firm and has appointed a valuer, the report thereof is pending. In the mean time, the Court Receiver has fixed an ad hoc royalty of ₹ 0.01 (March 31, 2014 : ₹ 0.01) per month that is to be paid by the agent of the Court Receiver under order dated December 2, 2011. An application inter alia for setting aside the said order dated December 2, 2011 has been filed by the Company and Hathway Internet Satellite Private Limited in the High Court, Bombay which is pending. The Court Receiver has taken back possession of the suit premises from Hathway Internet Satellite Pvt. Ltd.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

The Company has investments in said fully owned subsidiaries namely Hathway Internet Satellite Pvt. Ltd. & Binary Technology Transfers Pvt. Ltd. of ₹0.01 (March 31, 2014 :₹0.01) and ₹0.01 (March 31, 2014 :₹0.01) and Loans and advance of ₹1.59 (March 31, 2014 :₹1.59) , ₹1.59 (March 31, 2014 :₹1.59) respectively which has been fully provided for in the books.

4.04 The Trade Receivables includes amount due from disconnected / inactive customers / LCOs with whom no inter-connect documents have been executed and outstanding in excess of one year. The Company is taking adequate steps for recovery of overdue debts and advances and wherever necessary, adequate provisions have been made. In the opinion of the Board, long-term Loans & Advances, Trade Receivables and Current Assets have a realizable value in the ordinary course of business not less than the amount at which they are stated in the Balance Sheet.

4.05 EXCEPTIONAL ITEMS

The Company in its ordinary course of business has promoted / acquired interest in various entities. The Company's exposure to these entities on account of Investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Trade Receivables is ₹ 407.15 (March 31, 2014: ₹ 384.92), ₹ 84.63 (March 31, 2014: ₹ 86.68) and ₹ 71.47 (March 31, 2014: ₹ 62.53) respectively. Most of the entities have accumulated losses and negative net worth. Out of the above outstanding Trade Receivables, significant amount is overdue. During the year some of the entities have issued shares of ₹ 0.11 (March 31, 2014: ₹ 18.44) (including share premium) and share application money of ₹ 28.39 aggregating to ₹ 28.50 against such payables. The Company's exposure to such loss making entities on account of investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Trade Receivables is ₹ 41.53 (March 31, 2014: ₹ 36.30), ₹ 70.31 (March 31, 2014: ₹ 70.43) and ₹ 35.66 (March 31, 2014: ₹ 24.27) respectively. The Company has made provision on overall basis of ₹ 25.73 (March 31, 2014: ₹ 13.47), ₹ 66.30 (March 31, 2014: ₹ 64.30) and ₹ 25.32 (March 31, 2014: ₹ 12.14) against such Investments, Loans and Advances and Trade Receivables respectively.

Considering the long-term involvement of the Company in these entities and strategic impact it has on the business of the Company, the Company has committed to provide financial support to these entities. The provisions made during the year include the amounts advanced during the year.

4.06 OUTSTANDING LETTER OF CREDIT :

Outstanding Letters of Credit ₹ 77.98 (March 31, 2014: ₹ 19.35) secured against assets acquired under LC facility, hypothecation of present and future current assets of the Company and extension of pari passu hypothecation of present and future movable fixed assets of the Company.

4.07 EMPLOYEE STOCK OPTION PLAN

The shareholders of the Company have approved Employee Stock Option Plan i.e. HATHWAY ESOP 2007 ("The Plan"). The Plan provides for issue of options (underlying equity share of ₹10 each) to the persons specified in the scheme at the price determined by the remuneration committee appointed by the Board of Directors. Price determined by the remuneration committee is in the range of ₹110.20 to ₹157.30.

The Options granted under the Plan shall vest within not less than one year and not more than five years from the date of grant of options. Under the terms of the Plan, 20% of the options will vest to the employees every year. Once the options vest as per the Plan, they would be exercisable by the Option Grantee at any time within a period of three years from the date of vesting and the shares received on exercise of such options shall not be subject to any lock-in period.

The value of the options granted is determined by the management based on the rates at which shares were allotted to the investors during the relevant year and the same has been considered as fair value of option.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) is as follows :

Particulars	March 31, 2015	March 31, 2014
Total accounting value of Options Outstanding (A)	(0.70)	(0.34)
Deferred Employee Compensation Expense	0.08	0.78
Less: Amortized	0.08	0.78
Net Deferred Employee Compensation Expense (B)	-	-
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	(0.70)	(0.34)

The following table summarizes the Company's Stock Options activity:

Shares Underlying Options Outstanding

	As at March 31, 2015		As at March 31, 2014		
	No. of Shares	Weighted Average Exercise Price in Rupees	No. of Shares	Weighted Average Exercise Price in Rupees	
A					
a	Outstanding at the beginning of the year	161,299	124.10	265,299	116.73
b	Granted during the year	NIL	NIL	NIL	NIL
c	Forfeited/ Cancelled during the year option I	61,899	110.20	4,500	110.20
d	Forfeited/ Cancelled during the year option II	4,000	157.30	4,800	157.30
e	Exercised during the year option I	-	-	29,700	110.20
f	Exercised during the year option II	-	-	-	-
g	Expired during the year option I	65,200	110.20	59,200	110.20
h	Expired during the year option II	1,800	157.30	5,800	157.30
B					
a	Subdivision of Shares option I (Refer Note Number 4.17)	32,000	110.20	-	-
b	Subdivision of Shares option II (Refer Note Number 4.17)	81,600	157.30	-	-
C	Outstanding at the end of the year	142,000	26.23	161,299	124.10
D	Exercisable at the end of the year	142,000	26.23	161,299	124.10
E	Method of Settlement	Equity	Equity	Equity	Equity
F	Weighted average remaining contractual life (in months)		NIL		NIL
G	Weighted average Fair Value of Option granted during the year		NIL		NIL

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

4.08 PRIOR PERIOD ITEMS

Detail of Prior Period Income and Expenses is as under:

Particulars	2014-2015	2013-2014
Income of earlier years credited to Statement of Profit and Loss		
- Subscription Income	0.10	0.25
- Others	0.26	-
Expenses of earlier years reversed and credited to Statement of Profit and Loss		
- Bandwidth & Lease Line Cost	0.02	-
- Communication Charges	0.02	-
- Electricity charges	0.31	-
- Rates & Taxes	0.07	-
- Commission	0.05	0.09
- Salaries & Bonus	0.02	-
- Software & Programming Cost	-	0.02
- Pay Channel Cost	-	0.15
- Others (₹ 120,246 (March 31, 2014 : ₹ 4,710))	0.01	0.00
TOTAL CREDIT (A)	0.85	0.51
Income of earlier years reversed and debited to Statement of Profit and Loss		
- Subscription Income	0.07	1.63
Expenses of earlier years debited to Statement of Profit and Loss		
- Advertisement & Promotion expenses	0.06	-
- Bandwidth & Leaseline Cost	0.26	0.43
- Electricity charges	-	0.10
- Legal & Professional Charges	-	0.39
- Pay Channel Cost	-	0.85
- Rates & Taxes	0.25	-
- Depreciation & Amortisation	0.39	-
- Others	0.11	0.16
TOTAL DEBIT (B)	1.13	3.56
Net Debit / (Credit) to Statement of Profit and Loss (A-B)	0.27	3.05

4.09 EMPLOYEE BENEFITS

a) Defined Benefit Plans:

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

The following table provides the disclosures in accordance with Revised AS 15.

Reconciliation of opening and closing balance of the present value of the defined benefit obligation and plan assets:

Sr. No.	Category	March 31, 2015 [Gratuity]	March 31, 2014 [Gratuity]
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	3.82	3.83
	Current Service Cost	0.94	0.76
	Interest Cost	0.33	0.27
	Benefits Paid	(0.26)	(0.87)
	Actuarial (Gain) / Loss	(0.24)	(0.18)
	Projected benefit obligations at end of the year	4.60	3.82

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Sr. No.	Category	March 31, 2015	March 31, 2014
		[Gratuity]	[Gratuity]
2	Change in plan assets:		
	Plan assets at the beginning of the year	4.40	3.38
	Expected return on plan assets	0.78	0.40
	Actuarial Gain / (Loss)	(0.64)	0.41
	Contributions	0.24	1.08
	Benefits Paid	(0.26)	(0.87)
	Plan assets at the end of the year	4.51	4.40
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Fair Value of plan assets at the end of the year	4.50	4.40
	Present value of the defined benefit obligations at the end of the year	4.60	3.82
	Liability / (Asset) recognized in the Balance Sheet	(0.10)	0.57
4	Cost for the year		
	Current Service Cost	0.94	0.76
	Interest Cost	0.33	0.27
	Expected return on plan assets	(0.78)	(0.40)
	Actuarial Gain / (Loss)	0.40	(0.59)
	Net Cost recognized in the Statement of Profit and Loss	0.91	0.05
5	Assumptions		
	Interest rate for discount	7.77%	9.05%
	Estimated rate of return on plan assets	17.69%	11.38%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	10.00%	8.62%
	Employee Attrition Rate (Past service)	0-5 Year 12.46% 5-40 years - 9.07%	0-5 Year 8.62% 5-40 years - 6.42%
6	Investment Details		
	Deposit With LIC of India	27.69%	21.96%
	Deposit With ING Vysya Life Insurance Corporation of India	72.31%	78.04%
		100.00%	100.00%

b) Defined Contribution Plans:

"Contribution to provident and other funds" is recognized as an expense (Refer Note No. 3.05) of the Statement of Profit and Loss.

c) Other Disclosures :

Benefits	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	4.60	3.82	3.83	2.95	2.53
Plan assets	4.50	4.40	3.38	2.50	2.19
Surplus/(Deficit)	(0.10)	0.57	(0.45)	(0.45)	(0.34)
Experience adjustment on obligation - (gain)/loss	(0.24)	(0.18)	0.12	(0.03)	0.11
Experience adjustment on plan assets - gain/(loss)	(0.64)	0.41	(0.01)	(0.12)	(0.01)
Experience adjustment (best estimate) to funded plans in subsequent finance year	0.40	0.24	0.13	0.09	0.12

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

4.10 SEGMENTAL REPORTING

The Company is a Multi System Operator providing Cable Television Network Services, Internet Services and allied services which is considered as the only reportable segment. In the terms of Accounting Standard 17 on Segmental Reporting. The Company's operations are based in India.

4.11 RELATED PARTY DISCLOSURES

Particulars of Related Parties

A. Names of related parties and related party relationship where control exist

i) Under Control of the Company

1	Wholly Owned Subsidiaries:	Bee Network & Communication Pvt. Ltd.		
		Binary Technology Transfers Pvt. Ltd.		
		Hathway C-Net Pvt. Ltd.		
		Hathway Enjoy Cable Network Pvt. Ltd.		
		Hathway Gwalior Cable & Datacom Pvt. Ltd.		
		Hathway Internet Satellite Pvt. Ltd.		
		Hathway JMD Farukhabad Cable Network Pvt Ltd.		
		Hathway Media Vision Pvt. Ltd.		
		Hathway Space Vision Cabletel Pvt. Ltd.		
		Hathway United Cables Pvt. Ltd.		
		Hathway Universal Cabletel & Datacom Pvt Ltd.		
		Ideal Cables Pvt. Ltd.		
		ITV Interactive Media Pvt. Ltd.		
		Liberty Media Vision Pvt. Ltd.		
		Vision India Networks Pvt. Ltd.		
		Win Cable and Datacom Pvt. Ltd.		
		Hathway Broadband Cable & Datacom Pvt. Ltd.		
		Hathway Datacom Central Pvt. Ltd. (formerly known as Hathway Bhaskar Multinet Pvt. Ltd.)		
		2	Other – Subsidiaries / Body Corporate	Chennai Cable Vision Network Pvt. Ltd.
				Channels India Network Pvt. Ltd
Elite Cable Network Pvt. Ltd.				
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.				
Hathway ICE Television Pvt. Ltd.				
Hathway Sonali Om Crystal Cable Pvt. Ltd.				
Hathway MCN Pvt. Ltd.				
Hathway Nashik Cable Network Pvt. Ltd.				
Hathway Krishna Cables Pvt. Ltd.				
Hathway Rajesh Multi Channel Pvt. Ltd.				
Hathway Software Developers Pvt. Ltd				
UTN Cable Communications Pvt. Ltd.				
GTPL Hathway Pvt. Ltd.				
Hathway Latur MCN Cable & Datacom Pvt. Ltd.				
Hathway Channel 5 Cable & Datacom Pvt. Ltd.				
Hathway Mysore Cable Network Pvt. Ltd.				
Hathway Prime Cable & Datacom Pvt Ltd				
Hathway Mantra Cable & Datacom Pvt. Ltd.				
Hathway Sai Star Cable & Datacom Pvt. Ltd.				
Hathway New Concept Cable & Datacom Pvt. Ltd.				
Hathway Palampur Cable Network Pvt. Ltd.				
Hathway Cable MCN Nanded Pvt. Ltd.				

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	Net 9 Online Hathway Pvt. Ltd.
	Hathway Bhawani Cabletel and Datacom Ltd.
	Hathway Dattatray Cable Network Pvt. Ltd.
	Hathway Kokan Crystal Cable Network Pvt. Ltd.
	Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.
	Hathway SS Cable & Datacom - LLP (w.e.f. October 10, 2013)
3	Subsidiaries of the Subsidiaries
	Hathway Bhaskar CCN Multinet Pvt. Ltd. (formerly known as Hathway Bhaskar Pagariya Multinet Pvt. Ltd.)
	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd. (formerly known as CCN Entertainment (India) Pvt. Ltd.)
	Hathway Bhaskar CBN Multinet Pvt. Ltd. (formerly known as Chhattisgarh Broadband Network Pvt. Ltd.)
	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.
	GTPL Anjali Cable Network Pvt. Ltd.
	GTPL Solanki Cable Network Pvt. Ltd.
	GTPL Zigma Vision Pvt. Ltd.
	GTPL SK Network Pvt. Ltd.
	GTPL Video Badshah Pvt. Ltd.
	GTPL Kutch Network Pvt. Ltd.
	GTPL City Channel Pvt. Ltd.
	GTPL SMC Network Pvt. Ltd.
	GTPL Surat Telelink Pvt. Ltd.
	GTPL Vidarbha Telelink Pvt. Ltd.
	GTPL Space City Pvt. Ltd.
	GTPL Vision Services Pvt. Ltd.
	GTPL Jai Mataji Network Pvt. Ltd.
	GTPL Narmada Cyberzone Pvt. Ltd.
	GTPL Shivshakti Network Pvt. Ltd.
	GTPL Link Network Pvt. Ltd.
	GTPL VVC Network Pvt. Ltd.
	GTPL Blue Bell Network Pvt. Ltd.
	GTPL Parshwa Cable Network Pvt. Ltd.
	GTPL Insight Channel Network Pvt. Ltd.
	GTPL Kolkata Cable & Broadband Pariseva Ltd.
	GTPL Dahod Television Network Pvt. Ltd.
	GTPL Jay Santoshima Network Pvt. Ltd.
	GTPL Sorath Telelink Pvt. Ltd.
	Gujarat Telelink East Africa Ltd
	GTPL Shiv Network Pvt. Ltd.
	GTPL DCPL Pvt. Ltd.
	GTPL Bansidhar Telelink Pvt. Ltd.
	GTPL Sharda Cable Network Pvt. Ltd.
	GTPL Ahmedabad Cable Network Pvt. Ltd.
	DL GTPL Cabnet Pvt. Ltd.
	GTPL V & S Cable Pvt. Ltd.
	GTPL Video Vision Pvt. Ltd.
	Vaji Communication Pvt Ltd
	GTPL KCBPL Broadband Pvt. Ltd.
	Hathway Bhawani NDS Network Pvt. Ltd.
	Hathway Cabletech Services Pvt. Ltd. (w.e.f. July 09, 2013 up to November 30, 2014)

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ii) Other Related parties :	
1 Joint Ventures	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.
2 Associate Company	Pan Cable Services Pvt. Ltd. Hathway VCN Cabletel Pvt. Ltd.
3 Promotor - Directors	Akshay Rajan Raheja Viren Rajan Raheja
4 Entities owned by or under significant influence of individuals having significant influence on the Company	Coronet Investment Pvt Ltd Manali Investment and Finance Pvt Ltd Asianet Communications Pvt. Ltd. Sonata Information Technology Ltd Peninsula Estates Pvt Ltd Exide Life Insurance Co. Ltd.
5 Key Managerial Personnel and Relatives	Jagdishkumar G Pillai - Managing Director G Satish Kumar (Relative of Key Managerial Personnel)

B) Related Party Transactions

The transactions with related parties and the closing balances due to/from parties are as follows. The previous year figures are mentioned in brackets:

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives
INCOME						
Consultancy Income						
Hathway Sonali Om Crystal Cable Pvt Ltd	2014-15	2.44				
	2013-14	(2.21)				
Net 9 Online Hathway Pvt Ltd	2014-15	0.31				
	2013-14	(0.31)				
Others	2014-15	0.16				
	2013-14	(0.43)				
Advertisement Income						
Hathway Datacom Central Pvt Ltd	2014-15	0.02				
	2013-14	(0.01)				
Others (₹ NIL (March 31, 2014 : ₹ 21,427))	2014-15	-				
	2013-14	(0.00)				
Interest - Cable Ventures						
GTPL Hathway Pvt Ltd	2014-15	-				
	2013-14	(0.20)				
Hathway Bhawani Cabletel & Datacom Ltd (₹ 1,925,823 (March 31, 2014 : ₹ 5,276))	2014-15	0.19				
	2013-14	(0.00)				
Hathway Mysore Cable Network Pvt Ltd	2014-15	0.13				
	2013-14	(0.13)				
Hathway Rajesh Multichannel Pvt Ltd	2014-15	0.06				
	2013-14	-				
Hathway Software Developers Pvt Ltd	2014-15	0.11				
	2013-14	(0.11)				

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives
Others	2014-15	0.06				
	2013-14	-				
Other Operational Income						
Hathway Bhawani Cabletel & Datacom Ltd	2014-15	0.20				
	2013-14	-				
Hathway Datacom Central Pvt Ltd	2014-15	0.24				
	2013-14	-				
Others (₹ 89,000 (March 31, 2014 : ₹ 3,115))	2014-15	0.01				
	2013-14	(0.00)				
Rental Income on Equipments						
GTPH Hathway Pvt Ltd	2014-15	0.32				
	2013-14	(0.32)				
Hathway Bhawani Cabletel & Datacom Ltd	2014-15	0.04				
	2013-14	-				
Hathway Datacom Central Pvt Ltd	2014-15	-				
	2013-14	(0.76)				
Asianet Communications Pvt. Ltd.	2014-15				0.06	
	2013-14				-	
Others	2014-15	-			0.00	
	2013-14	(0.04)			-	
Subscription Income						
Hathway Datacom Central Pvt Ltd	2014-15	20.21				
	2013-14	(12.78)				
Hathway Mantra Cable & Datcom Pvt Ltd	2014-15	12.88				
	2013-14	(10.73)				
Hathway Sonali Om Crystal Cable Pvt Ltd	2014-15	3.60				
	2013-14	(11.34)				
Hathway Sonali Om Crystal Cable Pvt Ltd	2014-15	12.51				
	2013-14	-				
Hathway Krishna Cable Pvt. Ltd.	2014-15	11.63				
	2013-14	(5.35)				
Others	2014-15	49.78				
	2013-14	(22.42)				
EXPENSES						
Distribution Cost						
Hathway Bhawani Cabletel & Datacom Ltd	2014-15	5.13				
	2013-14	(5.61)				
Hathway Datacom Central Pvt Ltd	2014-15	-				
	2013-14	(25.00)				
Hathway Mantra Cable & Datcom Pvt Ltd	2014-15	6.32				
	2013-14	(4.45)				
Hathway Marathwada Cable Network Pvt Ltd	2014-15	8.13				
	2013-14	(8.26)				
Hathway Sonali Om Crystal Cable Pvt Ltd	2014-15	15.10				
	2013-14	(16.50)				

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives
Others	2014-15	10.50				
	2013-14	(12.13)				
Feed charges Paid						
Hathway Marathwada Cable Network Pvt Ltd	2014-15	2.40				
	2013-14	(2.25)				
Hathway Software Developers Pvt Ltd	2014-15	0.89				
	2013-14	(0.79)				
UTN Cable Communications Pvt Ltd	2014-15	0.89				
	2013-14	(0.78)				
Others	2014-15	0.49				
	2013-14	(0.90)				
Interest on Loan						
Hathway Broadband Private Limited	2014-15	0.07				
	2013-14	-				
UTN Cable Communications Pvt Ltd	2014-15	-				
	2013-14	(0.06)				
Rent Offices						
Coronet Investment Pvt Ltd	2014-15				0.20	
	2013-14				(0.20)	
Manali Investment and Finance Pvt Ltd	2014-15				0.22	
	2013-14				(0.22)	
Peninsula Estates Pvt Ltd	2014-15				0.10	
	2013-14				(0.10)	
Viren Rajan Raheja	2014-15			1.29		
	2013-14			-		
Akshay Rajan Raheja	2014-15			1.32		
	2013-14			-		
Others	2014-15	0.02				
	2013-14	-				
Other Expenses						
GTPL Hathway Pvt Ltd	2014-15	-				
	2013-14	(0.90)				
Hathway Datacom Central Pvt Ltd	2014-15	0.11				
	2013-14	(0.43)				
Exide Life Insurance Company Limited	2014-15				0.20	
	2013-14				-	
Remuneration and Perquisites	2014-15					1.93
	2013-14					(2.11)
Others	2014-15	0.05		0.05	0.29	-
	2013-14	(0.12)		-	-	(0.07)
Service Charges						
Hathway Media Vision Pvt Ltd	2014-15	-				
	2013-14	(7.77)				

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives
Purchase of Assets						
Sonata Information Technology Ltd	2014-15				1.53	
	2013-14				(4.29)	
Hathway Krishna Cable Pvt Ltd	2014-15	2.53				
	2013-14	-				
Sale of Assets						
Hathway Bhaskar CCN Multinet Pvt. Ltd.	2014-15	-				
	2013-14	(0.21)				
Hathway Bhawani Cabletel & Datacom Ltd.	2014-15	-				
	2013-14	(0.05)				
Hathway Mantra Cable & Datcom Pvt Ltd	2014-15	0.02				
	2013-14	-				
Hathway New Concept Cable & Datacom Pvt Ltd	2014-15	0.03				
	2013-14	-				
Hathway Rajesh Multi Channel Pvt Ltd	2014-15	-				
	2013-14	(0.25)				
TRANSACTION DURING THE YEAR						
Provision Against Investments made during the year						
Hathway Channel 5 Cable & Datacom Private Limited	2014-15	-				
	2013-14	(6.28)				
Hathway Media Vision Private Limited	2014-15	5.92				
	2013-14	-				
Hathway New Concept Pvt Ltd	2014-15	4.03				
	2013-14	-				
Hathway Sukhamrit Cable & Datacom Private Limited	2014-15		2.01			
	2013-14		-			
Ideal Cables Private Limited	2014-15	-				
	2013-14	(2.00)				
Others	2014-15	0.24				
	2013-14	(0.41)				
Provision Against Advances made during the year						
Hathway Media Vision Private Limited	2014-15	1.95				
	2013-14	-				
Hathway Sukhamrit Cable & Datacom Private Limited	2014-15		0.22			
	2013-14		-			
Others	2014-15	0.07				
	2013-14	-				
Provision Against Trade Receivable made during the year						
Hathway Channel 5 Cable & Datacom Private Limited	2014-15	-				
	2013-14	(1.91)				
Hathway New Concept Pvt Ltd	2014-15	10.60				
	2013-14	-				
Hathway Sukhamrit Cable & Datacom Private Limited	2014-15		2.28			
	2013-14		-			

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives
Others	2014-15	0.29				
	2013-14	-				
Provision against advances written back during the year						
Others	2014-15	0.23	0.01			
	2013-14	-	-			
Net Advances Made During the Year						
Hathway Bhawani Cabletel & Datacom Limited	2014-15	3.54				
	2013-14	(4.39)				
Hathway Mantra Cable & Datacom Pvt. Ltd	2014-15	3.08				
	2013-14	(5.62)				
Hathway Sonali OM Crystal Cable Private Limited	2014-15	3.39				
	2013-14	(5.46)				
UTN Cable Communications Private Limited	2014-15	4.51				
	2013-14	(4.79)				
Others	2014-15	7.08				
	2013-14	(17.50)				
Net Advances Recovered During the Year						
GTPL Hathway Pvt Ltd	2014-15	4.57				
	2013-14	(7.65)				
Hathway Datacom Central Pvt Ltd	2014-15	-				
	2013-14	(8.77)				
Hathway Software Developers Private Limited	2014-15	2.72				
	2013-14	-				
Hathway Marathwada Cable Network Private Limited	2014-15	5.31				
	2013-14	-				
Others	2014-15	6.35	0.01			
	2013-14	(7.11)	-			
Share Application Money given during the year						
GTPL Hathway Pvt Ltd	2014-15	5.00				
	2013-14	(12.00)				
Hathway Datacom Central Pvt Ltd	2014-15	18.98				
	2013-14	(3.00)				
Hathway Krishna Cable Private Limited	2014-15	4.50				
	2013-14	-				
Hathway Mysore Cable Network Private Limited	2014-15	7.00				
	2013-14	-				
Hathway Software Developers Private Limited	2014-15	7.55				
	2013-14	-				
Others	2014-15	1.25				
	2013-14	-				
Investment made during the year						
GTPL Hathway Pvt Ltd	2014-15	-				
	2013-14	(19.19)				

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives
Hathway Broadband Private Limited	2014-15	2.50				
	2013-14	-				
Hathway Datacom Central Pvt Ltd	2014-15	12.00				
	2013-14	(30.00)				
Hathway Krishna Cable Private Limited	2014-15	2.50				
	2013-14	(12.19)				
UTN Cable Communications Private Limited	2014-15	5.12				
	2013-14	(2.50)				
Others	2014-15	0.11				
	2013-14	(7.17)				
Unsecured Loan Taken made during the year						
Hathway Broadband Private Limited	2014-15	2.50				
	2013-14	-				
Closing Balances as at March 31, 2015						
Investments						
GTPL Hathway Pvt. Ltd	2014-15	166.26				
	2013-14	(166.26)				
Hathway Datacom Central Pvt Ltd	2014-15	97.96				
	2013-14	(85.96)				
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2014-15		4.02			
	2013-14		(4.02)			
Others	2014-15	138.76	0.10			
	2013-14	(128.53)	(0.10)			
Provision for Diminution in value of Investment						
Hathway Channel 5 Cable & Datacom Private Limited	2014-15	6.28				
	2013-14	(6.28)				
Hathway Media Vision Private Limited	2014-15	5.92				
	2013-14	-				
Hathway New Concept Pvt Ltd	2014-15	4.03				
	2013-14	-				
Ideal Cables Private Limited	2014-15	-				
	2013-14	(2.22)				
Others	2014-15	7.33	2.11			
	2013-14	(4.87)	(0.10)			
Loans & advances						
GTPL Hathway Pvt Ltd	2014-15	10.32				
	2013-14	(10.32)				
Hathway Nashik Cable Network Private Limited	2014-15	10.39				
	2013-14	(10.41)				
Win Cable & Datacom Private Limited	2014-15	20.37				
	2013-14	(20.37)				
Hathway VCN Cablenet Private Limited	2014-15		5.50			
	2013-14		(5.51)			

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives
Others	2014-15	20.00	0.81			
	2013-14	(22.27)	(0.81)			
Provision for Doubtful Advances						
Hathway Nashik Cable Network Private Limited	2014-15	10.39				
	2013-14	(10.41)				
Win Cable & Datacom Private Limited	2014-15	20.37				
	2013-14	(20.40)				
Hathway VCN Cablenet Private Limited	2014-15		5.50			
	2013-14		(5.51)			
Others	2014-15	11.99	0.81			
	2013-14	(10.15)	(0.59)			
Trade Receivables						
GTPL Hathway Pvt Ltd	2014-15	2.87				
	2013-14	(7.45)				
Hathway Bhawani Cabletel & Datacom Limited	2014-15	6.87				
	2013-14	(3.33)				
Hathway Mantra cable & Datacom Pvt. Ltd	2014-15	8.69				
	2013-14	(5.62)				
Hathway Sonali OM Crystal Cable Private Limited	2014-15	6.96				
	2013-14	(3.57)				
Hathway Sukhamrit Cable & Datacom Private Limited	2014-15		2.28			
	2013-14		(2.28)			
Others	2014-15	43.75				
	2013-14	(30.89)				
Provision for Bad & Doubtful Debt						
Channels India Network Private Limited	2014-15	1.33				
	2013-14	(1.33)				
Hathway Channel 5 Cable & Datacom Private Limited	2014-15	3.81				
	2013-14	(3.81)				
Hathway Krishna Cable Private Limited	2014-15	2.37				
	2013-14	(2.37)				
Hathway New Concept Pvt Ltd	2014-15	10.60				
	2013-14	-				
Hathway Sukhamrit Cable & Datacom Private Limited	2014-15		2.28			
	2013-14		-			
Liberty Media Vision Private Limited	2014-15	1.16				
	2013-14	(1.16)				
Vision India Network Private Limited	2014-15	1.85				
	2013-14	(1.85)				
Others	2014-15	1.87				
	2013-14	(1.58)				
Trade Payables						
Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	2014-15	0.71				
	2013-14	(0.67)				
Hathway Dattatray Cable Network Pvt. Ltd.	2014-15	0.80				
	2013-14	-				

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives
Hathway ICE Television Pvt Ltd	2014-15	0.80				
	2013-14	(0.80)				
Hathway Marathwada Cable Network Private Limited	2014-15	1.86				
	2013-14	-				
Others	2014-15	1.81				
	2013-14	(0.25)				
Unsecured Loan						
Hathway Broadband Private Limited	2014-15	2.50				
	2013-14	-				
Security Deposit Given						
Viren Rajan Raheja	2014-15			1.26		
	2013-14			(1.26)		
Akshay Rajan Raheja	2014-15			1.26		
	2013-14			(1.26)		
Others	2014-15					-
	2013-14					(0.14)

In Addition to aforementioned transactions, the Company has given Corporate Guarantees of ₹ 153.93 (March 31, 2014: ₹ 133.93) on behalf of GTPL Hathway Pvt. Ltd., ₹ 10.00 (March 31, 2014: ₹10.00) on behalf of Hathway Datacom Central Pvt Ltd (formerly known as Hathway Bhaskar Multinet Pvt. Ltd.) and ₹ 4.05 (March 31, 2014: ₹ 3.95) on behalf of Hathway MCN Pvt Ltd.

Details of debits / credits which are purely in the nature of reimbursements are not included in above.

4.12 Supplementary statutory information required to be given pursuant to Clause 32 of the listing agreement:

A) Loans and advances in the nature of loans to Subsidiaries and Associates:

NAME OF RELATED PARTY	YEAR			YEAR		
	March 31, 2015			March 31, 2014		
	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway Mysore Cable Network Pvt. Ltd. **	1.55	-	1.55	1.55	-	1.68
Hathway Software Developers Pvt. Ltd. ***	0.88	-	0.88	0.88	-	0.88
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	-	0.22	0.22	-	0.22	0.22
Hathway Media Vision Pvt. Ltd.	1.95	-	2.19	2.19	-	2.62
UTN Cable Communications Pvt. Ltd.	1.11	-	1.11	1.11	-	1.11
Hathway Ice Television Pvt. Ltd.	0.68	-	0.78	0.78	-	0.78
Hathway MCN Pvt. Ltd. ^	-	-	1.27	1.27	-	1.27
GTPL Hathway Pvt. Ltd. *	10.32	-	10.32	10.32	-	18.54
Net 9 Online Hathway Pvt. Ltd.	0.20	-	0.20	0.20	-	0.20
Hathway Sonali Om Crystal Cable Pvt. Ltd.	0.11	-	0.11	0.11	-	0.11
Hathway Gwalior Cable & Datacom Pvt.Ltd.	0.52	-	0.52	0.52	-	0.52
Hathway Enjoy Cable Network Pvt. Ltd.	0.00	-	0.00	0.00	-	0.00
Under Control includes (₹ 43,528 (March 31, 2014 ₹ 43,528) Maximum Out Standing includes (₹ 43,528 (March 31, 2014 ; ₹ 45599)						
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	0.17	-	0.17	0.17	-	0.17
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	0.30	-	0.30	0.30	-	0.30

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

NAME OF RELATED PARTY	YEAR			YEAR		
	March 31, 2015			March 31, 2014		
	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway JMD Farukhabad Cable Network Pvt. Ltd. Under Control includes (₹ 11,233 (March 31, 2014 ; ₹ 11,233) Maximum Out Standing includes (₹ 11,233 (March 31, 2014 ; ₹ 11,233)	0.00	-	0.00	0.00	-	0.00
Hathway Cable MCN Nanded Pvt. Ltd. ^{^^}	0.29	-	0.29	0.29	-	0.29
Hathway Dattatray Cable Network Pvt. Ltd. ^{^^^}	0.74	-	0.74	0.74	-	0.74
Hathway Mantra Cable & Datacom Pvt. Ltd. Under Control includes (₹ 30,321 (March 31, 2014 ; ₹ 30,321) Maximum Out Standing includes (₹ 30,321 (March 31, 2014 ; ₹ 32,381)	0.00	-	0.00	0.00	-	0.00
Hathway Datacom Central Pvt. Ltd. (formerly known as Hathway Bhaskar Multinet Pvt. Ltd.)	-	-	0.09	0.09	-	4.06
Hathway Prime Cable & Datacom Pvt. Ltd.	0.02	-	0.02	0.02	-	0.02
Hathway Krishna Cable Pvt. Ltd.	-	-	-	-	-	0.16
Hathway New Concept Cable & Datacom Pvt. Ltd.	0.04	-	0.04	0.04	-	0.04
Hathway Konkan Crystal Cable Network Pvt. Ltd.	0.01	-	0.01	0.01	-	0.01
Bee Network & Communications Pvt. Ltd.	0.37	-	0.37	0.37	-	0.37
Binary Technology Transfers Pvt. Ltd.	1.59	-	1.59	1.59	-	1.59
Chennai Cable Vision Network Pvt. Ltd.	1.97	-	1.97	1.97	-	1.97
Channels India Network Pvt. Ltd.	0.01	-	0.01	0.01	-	0.01
Elite Cable Network Pvt. Ltd.	0.02	-	0.02	0.02	-	0.02
Hathway C Net Pvt. Ltd.	0.45	-	0.45	0.45	-	0.45
Hathway Internet & Satellite Pvt. Ltd.	1.59	-	1.59	1.59	-	1.59
Hathway Nashik Cable Network Pvt. Ltd.	10.39	-	10.41	10.41	-	10.41
Hathway Space Vision Cabletel Pvt. Ltd.	1.04	-	1.04	1.04	-	1.04
Hathway Universal Cabletel & Datacom Pvt. Ltd.	0.02	-	0.02	0.02	-	0.02
Ideal Cables Pvt. Ltd.	0.44	-	0.44	0.44	-	0.44
ITV Interactive Media Pvt. Ltd.	0.45	-	0.45	0.45	-	0.45
Liberty Media Vision Pvt. Ltd.	1.17	-	1.17	1.17	-	1.28
Vision India Network Pvt. Ltd.	0.22	-	0.22	0.22	-	0.22
Win Cable & Datacom Pvt. Ltd.	20.37	-	20.94	20.37	-	20.40
Hathway Rajesh Multi Channel Pvt Ltd ^{^^}	0.33	-	0.57	0.57	-	0.57
Hathway Sai Star Cable & Datacom Private Limited %	0.20	-	0.20	-	-	-
Hathway Bhawani Cabletel & Datacom Ltd. ^{^^^^}	1.43	-	1.43	1.43	-	1.43
Pan Cable Services Pvt. Ltd.	-	0.59	0.59	-	0.59	0.59
Hathway VCN Cablenet Pvt. Ltd.	-	5.50	5.51	-	5.51	5.51
Hathway SS Cable & Datacom LLP (₹ 2500 (March 31, 2014 ; ₹ NIL)	0.00	-	0.00	-	-	-

* Interest levied on ₹ NIL (March 31, 2014 ; ₹ 6.00)

** Interest levied on ₹ 1.00 (March 31, 2014 ; ₹ 1.00)

*** Interest levied on ₹ 0.88 (March 31, 2014 ; ₹ 0.88)

[^] Interest levied on ₹ NIL (March 31, 2014 ; ₹ 1.28)

^{^^} Interest levied on ₹ 0.57 (March 31, 2014 ; ₹ 0.57)

^{^^^} Interest levied on ₹ 0.07 (March 31, 2014 ; ₹ 0.07)

^{^^^^} Interest levied on ₹ 0.27 (March 31, 2014 ; ₹ 0.75)

^{^^^^^} Interest levied on ₹ 1.43 (March 31, 2014 ; ₹ 1.43)

% Interest levied on ₹ 0.20 (March 31, 2014 ; ₹ NIL)

All the above loans are repayable on demand except GTPL Hathway Pvt. Ltd., Hathway Bhawani Cabletel & Datacom Ltd., Hathway Internet & Satellite Pvt. Ltd., Binary Technology Transfers Pvt. Ltd. & Hathway Datacom Central Pvt. Ltd. (formerly known as Hathway Bhaskar Multinet Pvt. Ltd.) which is payable after April 01, 2016.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

B) Loans and advances in the nature of loans where there is no repayment schedule and no interest payment:

NAME OF THE PARTY	March 31, 2015		March 31, 2014	
	Balance Outstanding	Maximum Amount outstanding during the year	Balance Outstanding	Maximum Amount outstanding during the year
Sanjay Ghagare	-	0.05	0.05	0.05
A Sivaraman	0.01	0.01	0.01	0.01
Shirish Ruparel	0.10	0.10	0.10	0.10
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	0.11	0.11	0.11	0.12
Hathway Cable Entertainment Pvt. Ltd.	0.08	0.08	0.08	0.08

4.13 Details of Investment, Loan given, guarantee given and security made during the year 2014-15 as per section 186(4) of The Companies Act 2013.

Nature of transaction	Number and kind of securities	Face value and Paid up value	Cost of Acquisition (in case of Securities how the Purchased Price was arrived at)	Name of the recipient	Amount of loan/ security/ acquisition/ guarantee	Interest Rate	Purpose of loan/ acquisition/ guarantee/ security	Period
Investments	833,333 Equity Shares	Nominal Value ₹ 10/- Paid Up Value ₹ 10/-	As per the resolution passed by the Board of Directors of the said Company	Hathway Krishna Cable Private Limited	2.50	NA	Corporate Business Purpose	NA
Investments	256,000 Equity Shares	Nominal Value ₹ 10/- Paid Up Value ₹ 10/-	As per the resolution passed by the Board of Directors of the said Company	UTN Cable Communications Private Limited	5.12	NA	Corporate Business Purpose	NA
Investments	100,000 Equity Shares	Nominal Value ₹ 10/- Paid Up Value ₹ 10/-	As per the valuation report issued statutory auditors of the company	Hathway Bhawani Cabletel & Datacom Limited	0.11	NA	Corporate Business Purpose	NA
Investments	80,000 Equity Shares	Nominal Value ₹ 10/- Paid Up Value ₹ 10/-	As per the resolution passed by the Board of Directors of the said Company	Hathway Datacom Central Pvt Ltd	12.00	NA	Corporate Business Purpose	NA
Investments	2,499,999 Equity Shares	Nominal Value ₹ 10/- Paid Up Value ₹ 10/-	₹ 2,50,00,000/- Based on the Face Value of Share	Hathway Broadband Private Limited	2.50	NA	Corporate Business Purpose	NA
Loans	NA	NA	NA	Hathway Sai Star Cable & Datacom Private Limited	0.20	13.50%	Corporate Business Purpose	Repayable on demand
Corporate Guarantees	NA	NA	NA	On behalf of Hathway MCN Private Limited Bank guarantee given to Axis Bank Limited	3.10	NA		
Corporate Guarantees	NA	NA	NA	On behalf of GTPL Hathway Private Limited Bank guarantee given to Yes Bank Limited	15.00	NA	Issued in favour of Bank as security for credit facility extended to the subsidiary	Till the duration of credit facility
Corporate Guarantees	NA	NA	NA	On behalf of GTPL Hathway Private Limited Bank guarantee given to Yes Bank Limited	20.00	NA		

Note : This is the first year of disclosure u/s 186(4) of the Companies Act, 2013 and accordingly, previous year data not applicable.

4.14 During the year under review, the Company has not capitalized any borrowing cost in the absence of acquisition of any qualifying assets.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

4.15 LEASES

(a) Finance Leases (As Lessee):

Lease rentals outstanding as at March 31, 2015 in respect of fixed assets taken on finance lease are as under:

Due	Total minimum lease payments outstanding as at March 31, 2015	Interest not due	Present value of minimum lease payments as at March 31, 2014
Not Later than 1 year	65.46	8.33	57.14
	(68.30)	(18.32)	(49.98)
Later than 1 year and not later than 5 years	54.85	4.90	49.95
	(120.31)	(13.23)	(107.09)
Later than 5 years	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)
Total	120.31	13.23	107.09
	(188.61)	(31.55)	(157.07)

Finance Lease obligation of Long-Term Borrowing (Ref: Note No: 2.03) include ₹ 107.09 (March 31, 2014: ₹157.07) payable to lessor under finance lease arrangement.

- (b) **Operating Leases (As Lessee):** The Company's significant leasing arrangements in terms of Accounting Standard on Leases (AS 19) are in respect of Operating Leases for Premises and Equipments. The period of these leasing arrangements, which are cancellable in nature range between eleven months to six years and are renewable by mutual consent.

Details of Non-Cancellable Leases are as under.

Particulars	2014-15	2013-14
Rental Expense debited to Statement of Profit and Loss	7.61	7.99
Payable in the next one year	7.50	10.65
Payable after next one year but Before next five years	12.47	26.77
Payable after five years	0.00	0.00

Details of Cancellable Leases are as under:

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

Rental Expenses debited to the Statement of Profit and Loss ₹ 19.81 (March 31, 2014: ₹ 10.21)

(c) Operating Leases (As Lessor):

Particulars	2014-15	2013-14
Gross Carrying Amount of Assets capitalized as Plant & Machinery and given on operating lease	5.03	4.01
Depreciation for the year	-0.27	0.60

- (d) The right to use granted to subsidiaries/local cable operators in respect of Access devices are not classified as lease transactions as the same are not for an agreed period of time.

- 4.16** The enactment of the Companies Act, 2013 requires that the Company should reassess useful life of its fixed assets and provide depreciation based on such re-assessment with effect from April 1, 2014. The Company has decided to provide depreciation on all fixed assets, except Set top boxes on straight line basis (SLM) as against written down value basis (WDV) based on useful life specified in Schedule II to the said Act. There is no change in the method of depreciation for Set top boxes.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

- a) This change has resulted in net surplus of ₹ 64.02 (March 31, 2014 : ₹ NIL) and is disclosed under as Exceptional Items. Had the Company continued to use the earlier method of depreciation, the debit to the Statement of Profit and Loss after tax for the current period (year to date) would have been higher by ₹ 8.02 (March 31, 2014 : ₹ NIL)
- b) Based on transitional provision provided in Note 7(b) of Schedule II to the Act, the charge to retained earnings in respect of assets having no useful life as on the effective date, net of deferred tax is ₹12.56 (March 31 2014 : ₹ NIL).

4.17 EARNINGS \ (LOSS) PER SHARE

Particulars	2014-15	2013-14
Profit \ (Loss) after tax (but including prior period adjustments)	(175.22)	(125.23)
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Basic EPS	797,143,815	740,910,810
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Diluted EPS	797,143,815	740,910,810
Nominal value of ordinary shares (₹) (Face Value restated) *	2	2
Basic EPS before extraordinary items (₹)	(2.20)	(1.69)
Diluted EPS before extraordinary items (₹)	(2.20)	(1.69)
Basic EPS after extraordinary items (₹)	(2.20)	(1.69)
Diluted EPS after extraordinary items (₹)	(2.20)	(1.69)

* Pursuant to the sub-division of the Equity shares of the Company, each Equity share of the face value of ₹ 10/- was sub-divided into 5 Equity shares of the face value of ₹ 2/- each fully paid up w.e.f. January 07, 2015 and it ranks pari-passu in all respect with existing fully paid up Equity Shares of ₹ 10/- each. In view of the same, for the purpose of ease of comparison, EPS for previous year have also been recomputed considering face value of ₹ 2/- per share.

In view of the loss in the current year, potential issue of equity under conversion of the Employee Stock Option Plan is anti-dilutive and accordingly, has not been considered in calculation of diluted earnings per share.

4.18 JOINT VENTURES

The Company has the following Joint Venture arrangements in the capacity of a Venturer as on March 31, 2015 :

- a. Hathway Sukhamrit Cable and Datacom Private Limited*

Country of Incorporation	India
% of Shareholding / Ownership Control	49.00%

Particulars	March 31, 2015	March 31, 2014
Assets		
Fixed assets	-	3.43
Cash & Bank Balances	-	0.87
Trade Receivables	-	5.49
Long Term Loans & Advances	-	12.46
Short Term Loans & Advances	-	0.57
Liabilities		
Current liabilities	-	15.70
Particulars		
Sales	-	16.68
Other income	-	0.02
Total income	-	16.70

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Particulars	March 31, 2015	March 31, 2014
Operating and other expenses	-	14.06
Employee's remuneration and benefits	-	0.41
Administration and General Expenses	-	-
Financial charges	-	0.11
Depreciation/ amortization	-	0.36
Provision for Taxation	-	0.36
Total expenditure	-	15.30
Proportionate share of Contingent Liabilities and Capital Commitments	-	-

* In the absence of the financial statement for the period 2014-15 data for the current financial year not provided and data for the previous year provided based on the audited financial statements.

4.19 DEFERRAL/CAPITALIZATION OF EXCHANGE DIFFERENCES

The Ministry of Corporate Affairs (MCA) has issued the amendment dated December 29, 2011 to AS 11 The Effects of Changes in Foreign Exchange Rates, to allow companies deferral/capitalization of exchange differences arising on long-term foreign currency monetary items.

In accordance with the amendment/earlier amendment to AS 11, the company has capitalized exchange gain / (loss), arising on long-term foreign currency loan, amounting to ₹(8.64) [March 31, 2014: ₹(34.39)] to the cost of plant and equipment. The company has also capitalized exchange gain / (loss), arising on long-term foreign forward contract, undertaken to partially hedge the foreign current loan, amounting to ₹ 11.10 (March 31, 2014 : ₹(2.53)) to the cost of plant and equipments. The company does not have any other long-term foreign currency monetary item. Hence, the amount of exchange loss deferred in the "Foreign Currency Monetary Item Translation Difference Account" is ₹ NIL (March 31, 2014 : ₹ NIL).

4.20 The Company has booked INR USD Cross Currency Swap Contracts of USD 3.50 (March 31, 2014 : ₹ NIL) against the underlying INR borrowing of ₹ 215.71 (March 31, 2014 : ₹ NIL). The actual interest earned on notional INR deposit, interest paid on notional USD borrowing and marked to market loss on USD exposure aggregating net loss of ₹ 5.27 (March 31, 2014 : ₹ NIL) are included in interest expenses under finance cost in note number 3.08 in Notes to the financials Statement.

4.21 ADDITIONAL INFORMATION AS REQUIRED UNDER PARA 5 (viii) OF PART II OF REVISED SCHEDULE VI TO THE COMPANIES ACT, 1956 HAS BEEN GIVEN TO THE EXTENT APPLICABLE TO THE COMPANY.

Particulars	2014-15	2013-14
A CIF Value of Imports:		
Capital Goods (Includes items of Stores, Spares and Others which may also be used for Repairs & Maintenance)	175.75	299.78
Stores, Spares and Others	7.16	0.50
B Consumption Details of Stores, Spares & Others:		
Value of Imported Stores, Spares & Others consumed during year	3.74	0.50
Percentage of total consumption	80.87%	33.68%
Value of Indigenous Stores, Spares & Others consumed during year	0.88	0.99
Percentage of total consumption	19.13%	66.32%
C Expenditure in foreign currency		
Interest	11.32	7.69
Consultancy Charges	0.05	0.41
Subscription Charges	0.86	0.84
Software Charges	0.30	
Repairs and Maintenance (₹ 597,327 (March 31, 2014 ; ₹ 14,980)	0.06	0.00
Foreign Travel	1.04	1.36
Others	0.05	0.01
D Earning in foreign currency	11.68	52.49

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

4.22 UNHEDGED FOREIGN CURRENCY EXPOSURE

Currency	March 31, 2015			March 31, 2014		
	Amount in Foreign Currency	Exchange Rate	Amount	Amount in Foreign Currency	Exchange Rate	Amount
Secured Loans						
USD	123,439,264	62.51	771.56	69,000,027	59.91	413.38
JPY	-	0.52	-	346,882,455	0.58	20.14
Accounts Payables						
USD	3,626,165	62.51	22.67	11,080,791	59.91	66.39
JPY	18,192,286	0.52	0.95	19,748,408	0.58	1.15
Other Firm Commitments						
USD	12,369,255	62.51	77.31	12,650,663	59.91	75.79
JPY	11,108,564	0.52	0.58	9,706,342	0.58	0.56
Accounts Receivables						
USD	-	62.51	-	7,750,000	59.91	46.43

4.23 Rupees figures are mentioned in Crore unless otherwise stated.

4.24 The Initial Public Offer (IPO) proceeds have been utilized as per objects as stated in the prospectus dated February 17, 2010 and as subsequently modified and approved by the Shareholders by an Ordinary Resolution through Postal ballot as per the provision of Section 192A of the Companies Act, 1956.

	March 31, 2015		March 31, 2014	
	Amount Proposed	Amount utilized	Amount Proposed	Amount utilized
Utilization of IPO Funds				
Acquisition of Customers	15.00	15.00	15.00	13.08
Investment in the development of digital capital expenditure, services and set top boxes	325.00	325.00	325.00	325.00
Investment in the development of broadband infrastructure, capital expenditure and services	190.00	190.00	190.00	190.00
Repayment of loans	50.00	50.00	50.00	50.00
General Corporate Purpose	-	-	-	1.92
Interim use of fund (paying down short term credit limit)	-	-	-	-
Total	580.00	580.00	580.00	580.00
Less: To be funded by Borrowings	100.00	100.00	100.00	100.00
Total	480.00	480.00	480.00	480.00
Balance Unutilised	-	-	-	-
Utilization of Equity funds allotted during the financial Year				
General Corporate Purpose as per the objects stated in the respective offer letters	451.20	347.09	-	-
Total	451.20	347.09	480.00	480.00

Unutilised Balance has been invested as stated below:

Particulars	March 31, 2015	March 31, 2014
Mutual funds	89.11	-
Parked in Cash Credit	15.00	-
Total	104.11	-

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

4.25 Pursuant to introduction of Digital Addressable System (DAS), in terms of TRAI Regulations the Company is required to inter alia enter into inter connect agreements with local cable operators in notified cities. However, due to market conditions, the Company is still to fully implement the regulations. Pending execution of documentations, income recognized is based on various underlying factors including rate charged by other MSO's, ongoing negotiations with cable operators etc. The management has reviewed the outstanding receivables and is confident that it is stated at realizable amount and no adjustment is required. Further, the Company has changed the manner in which it recognises subscription income relating to secondary points in Delhi from gross of LCO revenue share to net of LCO revenue share in line with the principle followed prior to November 1, 2013. This change has been effected from October 1, 2014. Had the Company recognized and presented the revenue on net basis, Total Subscription Income from Cable Television for the quarter and the year ended on March 31, 2015 would have been lower by ₹ NIL and ₹ 27.51 respectively and the same has no impact on profitability of the company.

4.26 The Company has its presence in various cities, which form part of phase III of DAS rollout in terms of TRAI regulations, including Hyderabad where DAS rollout is sub-judice. Preparatory to DAS rollout dates in each of these markets, the Company has established required infrastructure. The monetization of these investments is subject to successful DAS rolled out.

4.27 Previous year figures have been rearranged and regrouped wherever necessary.

As per our report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm's Registration No : 104767W

For and on behalf of the Board

VIREN THAKKAR

Partner

Membership No : 49417

GANAPATHY SUBRAMANIAM

Chief Financial Officer

JAGDISHKUMAR G PILLAI

DIN : 00036481

Managing Director & C.E.O

AJAY SINGH

FCS - 5189

Company Secretary & Compliance Officer

VINAYAK AGGARWAL

DIN : 00007280

Director

Mumbai

Dated: May 29, 2015

Mumbai

Dated: May 29, 2015