THE MOMENT FOR MOMENTUM

hathw@y
Broadband Internet
THE INTERNET OF TOMORROW, TODAY

Hathway Cable and Datacom Limited

59th Annual Report 2018-19

WHAT'S INSIDE

Visit
www.hathway.com
The Company's official website to download the Annual Report.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sridhar Gorthi
DIN: 00035824
Chairman and Independent Director

Mr. Sasha Mirchandani
DIN: 01179921
Independent Director

Mr. Devendra Shrotri
DIN: 02780296
Independent Director

Ms. Ameeta Parpia
DIN: 02654277
Independent Director

Mr. Akshay Raheja
DIN: 00288397
Non-Executive Director

Mr. Viren Raheja
DIN: 00037592
Non-Executive Director

Ms. Geeta Fulwadaya
DIN: 03341926
Non-Executive Director

Mr. Saurabh Sancheti
DIN: 08349457
Non-Executive Director

Mr. Anuj Jain
DIN: 08351295
Non-Executive Director

Mr. Rajan Gupta
DIN: 07603128
Managing Director

CHIEF FINANCIAL OFFICER

Mr. Sitendu Nagchaudhuri

HEAD CORPORATE LEGAL, COMPANY SECRETARY AND CHIEF COMPLIANCE OFFICER

Mr. Ajay Singh
FCS No.: 5189

REGISTERED OFFICE

"Rahejas", 4th Floor,
Corner of Main Avenue & V. P. Road,
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Tel No.: (022) 26001306
Fax No.: (022) 26001307
CIN: L64204MH1959PLC011421

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Tel No.: (022) 67742500
Fax No.: (022) 67742400
Website: www.hathway.com
Email: info@hathway.net

STATUTORY AUDITORS

Nayan Parikh & Co.,
Chartered Accountants

SECRETARIAL AUDITORS

Rathi and Associates,
Company Secretaries

COST AUDITORS

Ashok Agarwal & Co., Cost Accountants

ADVOCATES AND SOLICITORS

Trilegal (Mumbai)

BANKERS

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

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, LBS Marg,
Vikhroli (W), Mumbai - 400 083
Tel No.: (022) 49186000
Fax.: (022) 49186060
Website: www.linkintime.co.in

THE MOMENT FOR MOMENTUM

Speeding aggressively into the future, we have scaled new heights of progress over the past two years.

- Clocking significant growth on the operational front, across the business segments, we have pushed the frontiers of our business charter to exceptional levels

- Seizing the opportunities of tomorrow to fast-track growth, we have propelled our journey of thought leadership to shape the contours of a new today for all our stakeholders

With Speed on our side, we believe the Moment has come for us to pick up Momentum to accelerate the pace of our progressive journey. Because Momentum, we know, will power change and change is what will steer us to the next level of our odyssey – of more and bigger milestones!

The journey of gathering Momentum has already begun. It is evident in the multitude of initiatives we undertook through FY 2018-19, across our business value chain…

STRATEGIC COMMUNIQUÉ FROM THE MD

> **In FY 2018-19, we accomplished a great deal, not only in terms of financials but also towards building momentum for the next three years, at the back of accelerated customer acquisition, revenue and financial growth.**

Dear Valued Shareholders,

During FY 2018-19, the Indian media and telecommunication industry continued to be shaped by a multitude of diverse factors. Major regulatory changes, disruptive technologies, new market entrants, market consolidation, rapidly evolving customer preferences and the continuing convergence of broadband and traditional Pay TV distribution technologies powered the evolutionary changes across the industry landscape.

These industry trends and the resultant opportunities, have been the guiding force for Hathway for building our strategic pillars of growth to further accelerate business momentum.

In FY 2018-19, we accomplished a great deal, not only in terms of financials, but also towards building momentum for the next three years, at the back of accelerated customer acquisition, revenue and financial growth. A plethora of exciting developments marked the year – from the expansion of FTTH services to more and more homes and launch of India's first Cable Hybrid android set-top box, in partnership with Netflix, implementation of New Tariff Order in Pay TV industry and deleveraging of the balance sheet through strategic investment by Reliance Industries Limited. We, at Hathway, believe this is our Moment of Momentum. We are stronger than ever to take full advantage of the digital disruption that engulfs us. We have renewed our collective ability to create a new normal in Pay TV distribution and Fibre-to-Home broadband space in India.

Our transformation plans for value creation for our shareholders are based on the three key strategic pillars of Exploding Home Broadband Consumption, Transforming Cable Television from B2B to B2C and Enhancing Customer Service Experience through digital intervention.

The Telecom Regulatory Authority of India's (TRAI) New Tariff Order (NTO) has given us the opportunity to radically change customer service levels in Cable Television distribution. With customers deciding the content they want to buy and consume, focus has now shifted from wholesale content negotiations with broadcasters to understanding and leveraging customer insights to promote content.

Delivering market leading customer experiences through usage of various digital tools is the new enabler for revenue and EBIDTA growth in Cable Television industry. We believe Hathway has taken the lead in this digital transformation and already started leveraging the same for industry leading revenue and EBIDTA growth. Our twin focus on taking FTTH to more and more homes and concurrently launching India's first cable hybrid box, is helping us converge linear TV-viewing with OTT usage as customers can access both services from a single smart box. This is also creating new levels of Home Broadband Consumption and helping us create a class of customers for whom Home Broadband is a must-have utility like water and electricity.

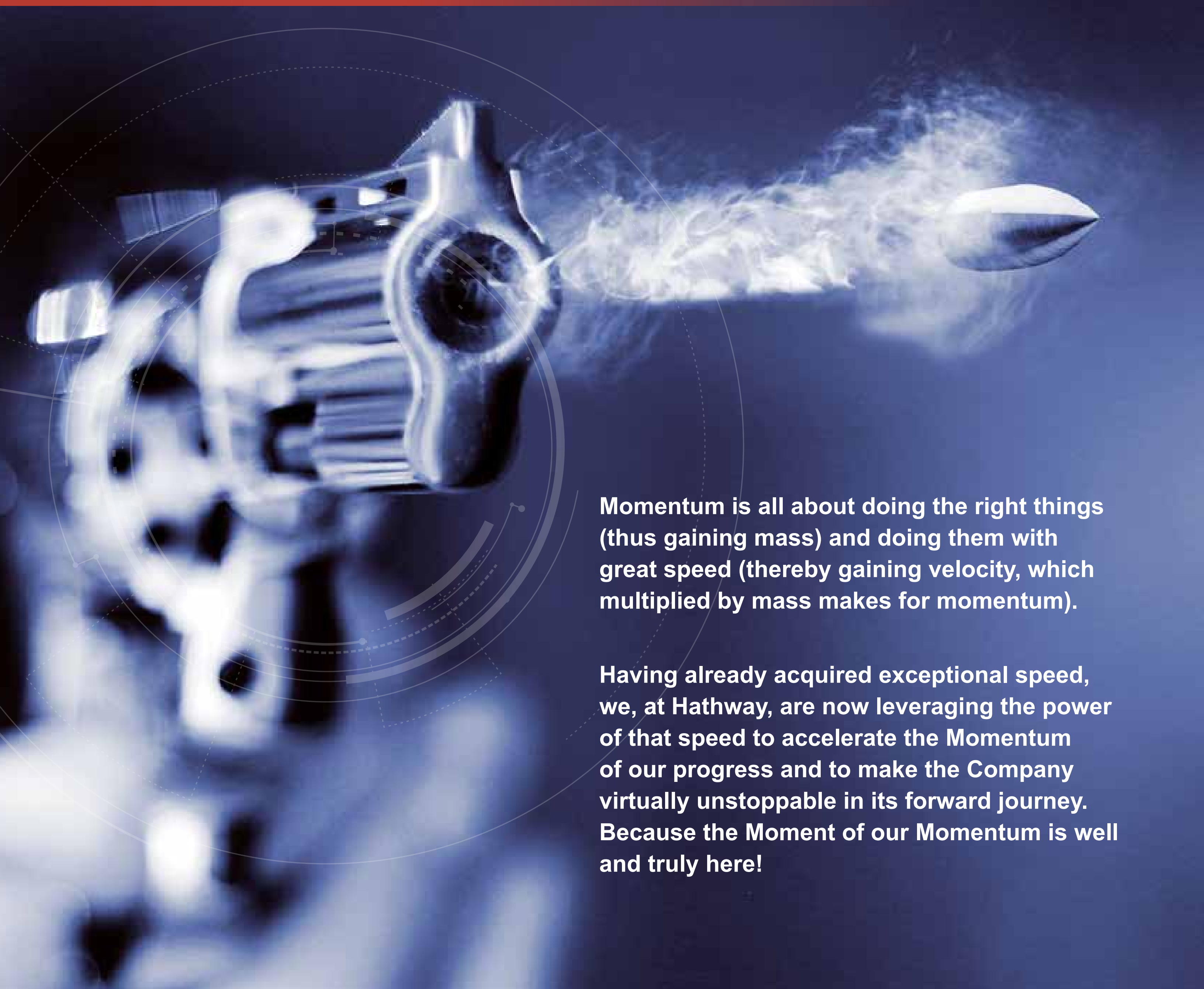
You will see us further increasing pace on this momentum in FY 2019-20. This momentum on our strategic pillars will power a different level of explosion in value creation for our shareholders.

On behalf of all of us at Hathway, thank you for your combined trust and support.

Thank You,

Rajan Gupta
Managing Director

IT IS THE FORCE THAT PROPELS THE BULLET TOWARDS ITS TARGET THE MOMENT IT IS RELEASED FROM A GUN. IT IS THE POWER THAT TRANSLATES INTO WINNABLE GOALS IN THE GAME OF FOOTBALL. IT IS WHAT MAKES A CANDIDATE UNSTOPPABLE AFTER A WINNING DEBATE OR GIVES THE STUDENT THE EDGE AS HE CLOSES IN ON HIS EXAM PREPARATION.



Momentum is all about doing the right things (thus gaining mass) and doing them with great speed (thereby gaining velocity, which multiplied by mass makes for momentum).

Having already acquired exceptional speed, we, at Hathway, are now leveraging the power of that speed to accelerate the Momentum of our progress and to make the Company virtually unstoppable in its forward journey. Because the Moment of our Momentum is well and truly here!

A CORE DESIGNED TO ACCELERATE MOMENTUM...

At the heart of our strategy to accelerate the momentum of our growth lies our ability to harness our deep understanding of our business and acumen in delivering to its transforming needs.

Led by a customer value proposition that goes beyond providing service to drive an experience, Hathway stands tall today in India's industry landscape, with a fast-expanding Cable Broadband and Cable Television network spread across the country.

Our growth agenda is led by our mission "to provide an incomparable world-class broadband experience to customers" and powered by our vision "to be a single point access provider, bringing into the home and workplace the converged world of information, entertainment and services."

Focussed on building momentum to scale higher growth is our comprehensive product and service portfolio, which we are continually enhancing through our technological innovations and our people power.

OUR BUSINESS SNAPSHOT

BROADBAND

Hathway Cable and Datacom Limited

[High-speed Broadband services in 16 cities (4 metros and 3 mini metros)]

Stock ticker
BSE: 533162
NSE: HATHWAY

CABLE TELEVISION

Hathway Digital Private Limited

(Cable Television services across 350 major cities & towns)

Wholly-Owned Subsidiary

STRATEGIC INVESTMENT

GTPL Hathway Limited

(500+ towns across 10 states)

Promoter Company and owns 37.32% stake
Stock ticker BSE: 540602
NSE: GTPL

A CORE DESIGNED TO ACCELERATE MOMENTUM...

OUR BROADBAND PROPOSITION

- 'Category A' pan-India ISP licence, 1st Cable Television services provider to offer Broadband Internet services in the country
- Approximately, 5.5 Mn two-way broadband homes passed, with a total broadband customer base of 0.81 Mn
- B2C business, with Hathway managing entire value chain – from marketing, sales, customer service, to billing and collection, call centre and technical compliance

OUR CABLE TELEVISION PROPOSITION

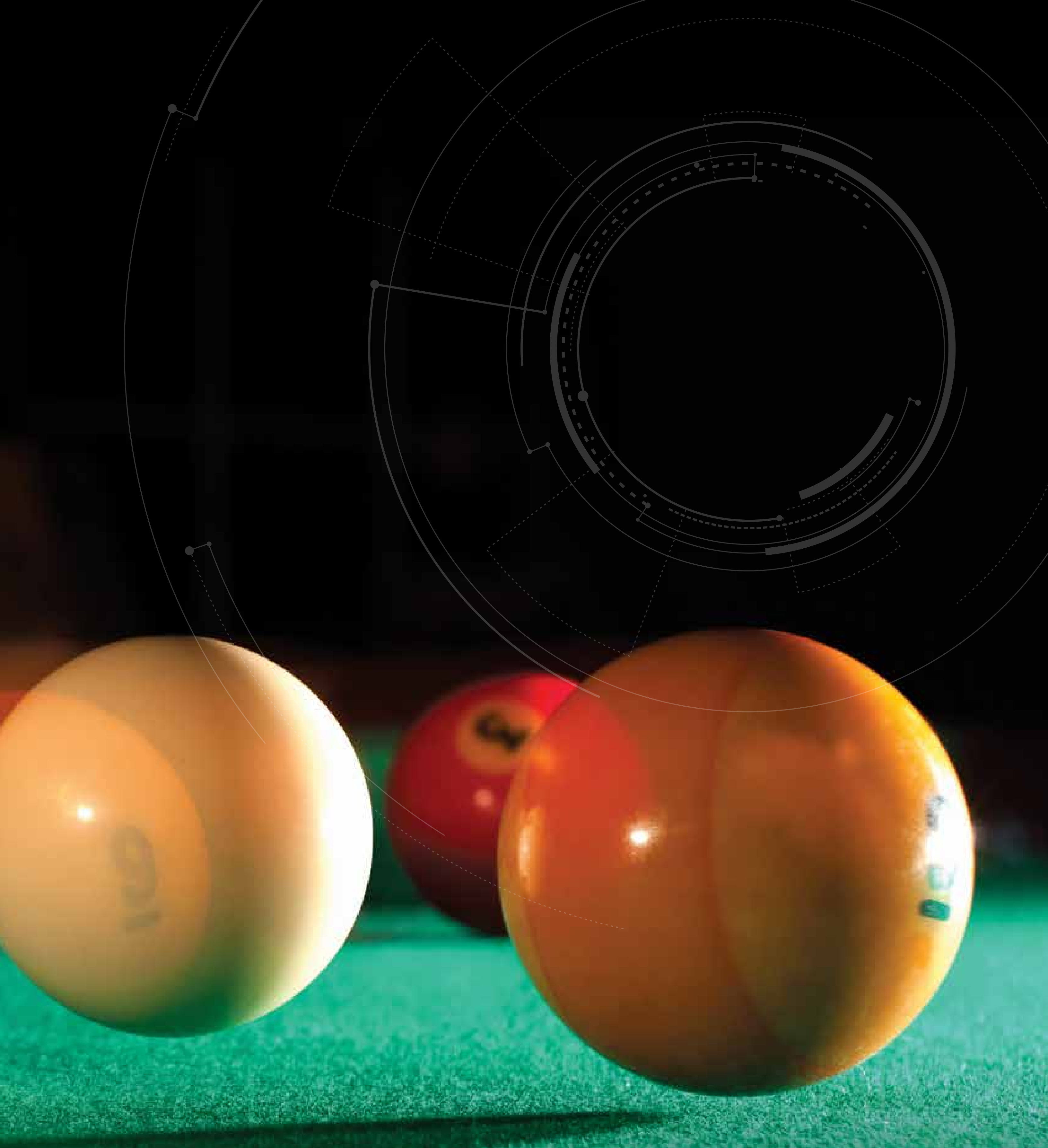
- One of India's largest MSOs, across various regions; Transmitting to LCOs or directly to customers
- Extensive network connecting 6 Mn (seeded) digital cable customers / households
- 100% of customers are served through Hathway Connect and 70% online payment is being made by LCO
- 20 in-house channels

BUILDING ON STRENGTHS

Steering our growth strategy is our core of strengths, that have synergistically come together to push the momentum of our progression. Partnered by several leading Indian and global technology leaders, we are continually augmenting our technological edge for leveraging the emerging opportunities across our business segments to expand our customer base and deliver enhanced value to all our stakeholders.

Further augmenting our strengths platform is our focus on transparency and corporate governance, which was endorsed during FY 2018-19 by the Platinum Award, with the 12th Rank globally, for excellence within its industry for the Hathway Annual Report 2017-18. It was accorded by League of American Communications Professionals (LACP).

IT TAKES A LOT OF FOCUS TO PLAY AND WIN BILLIARDS. A POPULAR GAME OF MENTAL DEXTERITY AND CONCENTRATION, THIS CUE GAME FINDS ROOTS IN THE MOMENTUM LAW OF PHYSICS. IT IS ALL ABOUT THE GENERATION OF MOMENTUM WHEN TWO BALLS COLLIDE WITH FULL FORCE, CAUSING ONE TO STRIKE THE TARGET.



At Hathway, we followed this principle to strike, with full force, at the demands of the new regulatory environment to transform our Cable Television business during the year. To achieve our goals, we focussed, with total concentration, on aligning our strategic approach in this segment to the market changes triggered by the new regulations.

GAINING MOMENTUM... TO SURGE FORWARD INTO THE NEW CABLE REGIME

With the New Tariff Order (NTO) of the Telecom Regulatory Authority of India (TRAI), the customer consumption patterns in India's Cable Television market will undergo a drastic transformation. The NTO, launched on February 1, 2019, has empowered customers with the freedom to choose the entertainment they wish to enjoy and to pay for the channels they want to watch and not for those they are not interested in. The NTO thus intends to bring about a dramatic change in the distribution landscape in India.

It was a change that we, at Hathway, were fully prepared to harness to drive greater business momentum with our deep insights into customer aspirations and our bouquet of customer choices to meet those aspirations, backed by our ability to scale our reach pan-India with a wider basket of pricing options.

How NTO transformed the Cable Television opportunity matrix

The transformation unleashed by NTO during the year, has paved the way for the emergence of significant opportunity growth drivers in the Cable Television business.

Clear Revenue Model for the Distribution Platform Operators (DPOs)

NTO for the first time, brings in a concept of Network Capacity Fee which allows Distribution Platform to charge a customer an amount up to ₹ 130 (excluding taxes) for its infrastructure for making available to a customer, 100 standard definition (SD) channels. (Capacity for a High Definition (HD) channel will be equivalent to two SD channels) either directly or through its Local Cable Operator.

It further allows the DPOs to offer slabs of 25 channels (above 100 channels) at a maximum rental amount of ₹ 20 (excluding taxes), per month. Carriage fee is capped at ₹ 0.20 and ₹ 0.40/customer/channel/month for SD and HD channels, respectively.

Ensuring fair play

NTO has brought in a new level of transparency and fair play into the system as DPOs can receive a minimum of 20% of the MRP of pay-channel or bouquet of pay channels as the distribution fee from broadcasters. A cap of 15% has been placed on discounts offered by broadcasters to DPOs. However, the overall sum of distribution fee and discount offered by the broadcaster cannot exceed 35% of the MRP of the pay channel or a bouquet of pay channels.

Enabling a win-win

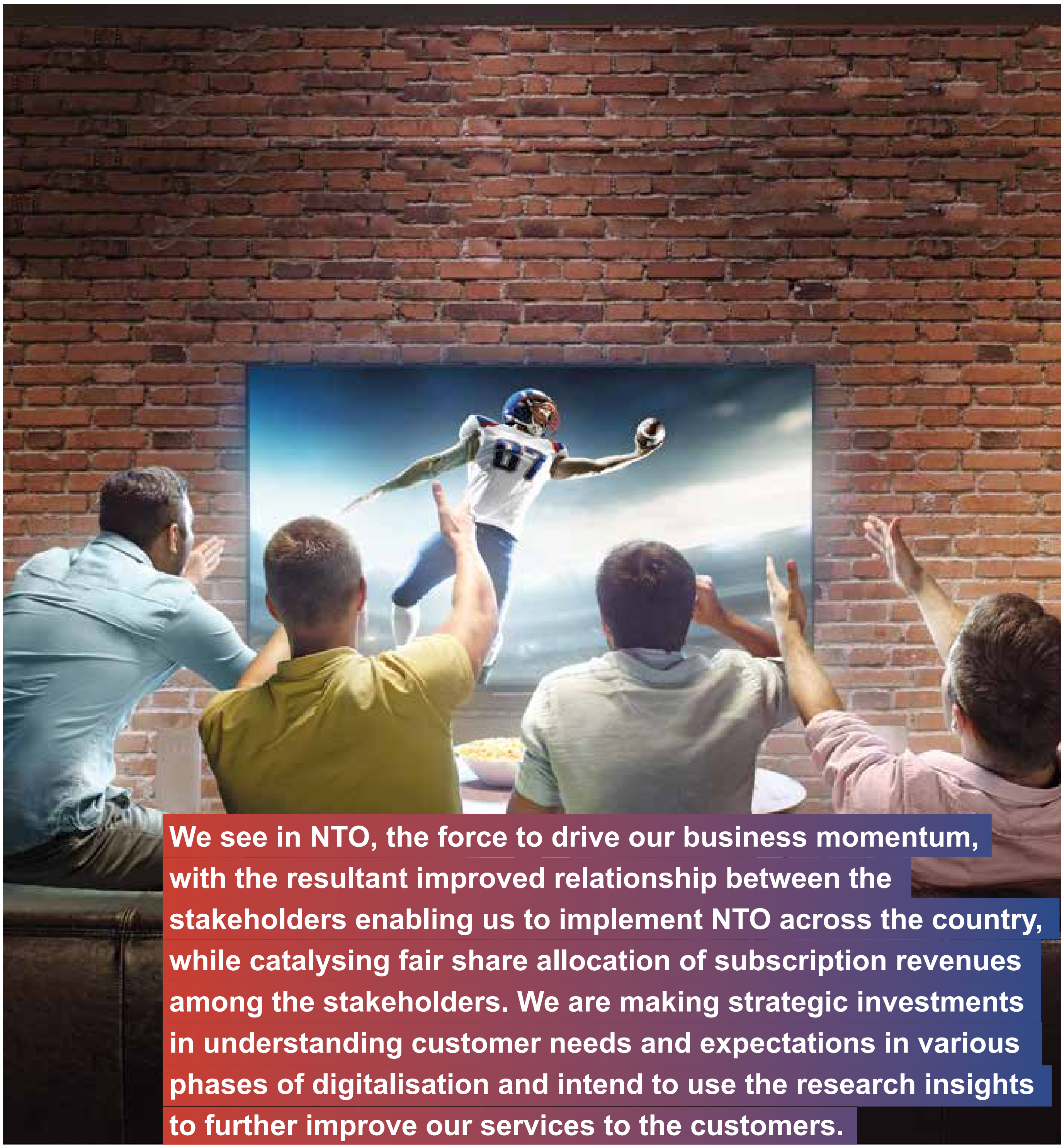
Shared benefits will enable a win-win proposition for the Local Cable Operator (LCO) and the Multi System Operator (MSO), who are required to settle service charges between them on a mutually agreed basis. In case they fail to reach an agreement, the network capacity fee amount and the distribution fee amount is to be shared in the ratio of 55:45 between the MSO and the LCO.

The new era of transparency ushered in by the NTO, coupled with robust IT infrastructure, has powered the momentum at Hathway. Further, to delight the customers, driven by extensive customer research and focus group interviews with customers, we have also successfully launched and implemented suggested DPO Packs for all regions.

How we gained momentum in the new regime

The migration from the old to the new regime proved to be a game-changer for Hathway, as we edged past most of our rivals to deliver effectively to the new customer promise unveiled by the NTO.

- At its peak, as many as 15-20 lakh transactions were reported every day as customers transitioned to the new regime. Our systems managed to complete most of the activations and deactivations within 24 hours, as against the mandated 72 hours. (The current capacity for transactions is 35 lakhs per day)
- The investments made by the Company and the various strategic initiatives taken in the previous years, ensured minimal impact of IT issues on OBRM in the transitional period



We see in NTO, the force to drive our business momentum, with the resultant improved relationship between the stakeholders enabling us to implement NTO across the country, while catalysing fair share allocation of subscription revenues among the stakeholders. We are making strategic investments in understanding customer needs and expectations in various phases of digitalisation and intend to use the research insights to further improve our services to the customers.

ACCELERATING MOMENTUM... TO TAP THE EVOLVING CUSTOMER VIEWING DEMAND MATRIX

We, at Hathway, are cognisant of the importance of continuously pushing the pace of our momentum to effectively target the evolving demands of customers in the new demand scenario.

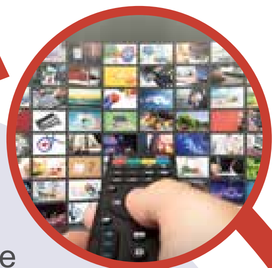
Finding smart ways to push momentum

India's first Cable OTT (Over The Top) Hybrid box, the Hathway Ultra Smart Hub, on the Android TV platform is transforming the way customers indulge in their TV viewing experience, making it more engaging and exhilarating.

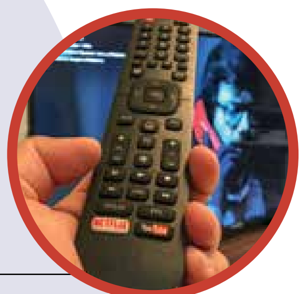
Launched on March 1, 2019, the Ultra Smart TV Hub simplifies the user experience for our customers, increasingly combining their linear TV viewing (Live TV playing all channels) with on-demand and streaming services. The user can select and download more than 2,000 Apps from Google Play, including play services, games, and music.

Work on the full-scale implementation of the Hub is in progress, with 95% of customers already onboard terming it a revolution in TV viewing experience.

THE HATHWAY ULTRA SMART HUB PROPOSITION



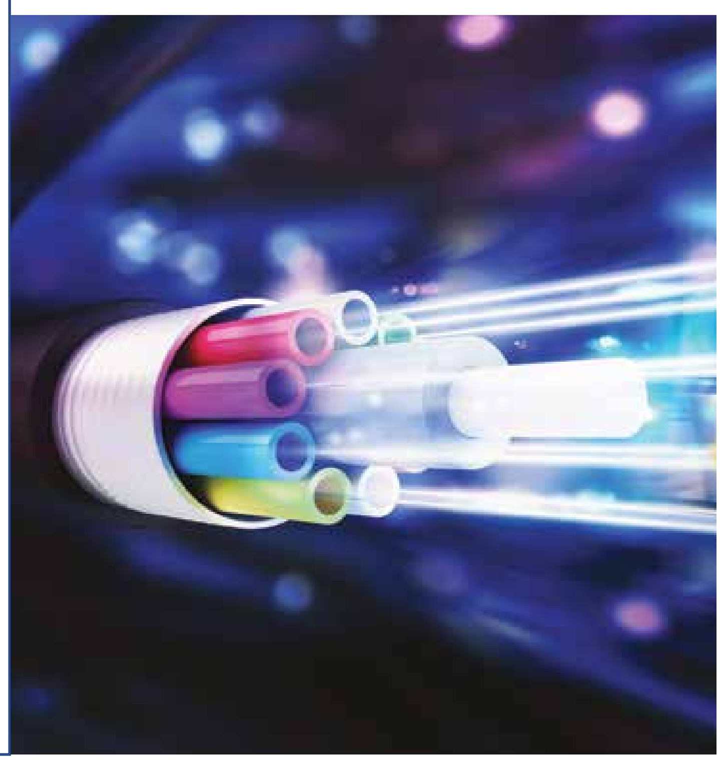
Remote can be used to control ***VOD & LIVE TV***



Dedicated button on Remote for ***YouTube and Netflix***

Remote voice assistant to choose and play content on ***YouTube, Netflix, Live TV*** or any other ***Google Apps***

The Hathway Ultra Smart Hub exemplifies cutting edge, globally best-in-class technology and top of the league content offerings – underscoring the momentum we have gathered through our strategic investments.



HARNESSING MOMENTUM...
TO RAISE THE BAR IN CABLE BUSINESS

Propelled by its growing momentum and the successful migration to the NTO, the Hathway Cable Television business posted significant all-round operational and financial gains during the year.

The transition into the new regulatory environment saw Hathway Digital Private Limited raise the bar of its capabilities and strengths across the board, which manifested in increase in subscription revenue and operating EBIDTA, along with enhanced collection efficiency.

14%
Y-o-Y Growth in Cable Television Subscription Revenue

₹ 6,524 Mn
Subscription Revenue

2,61,000
HD Customers

₹ 1,505 Mn
Operating EBIDTA

15%
Operating EBIDTA

99%
Collection Efficiency

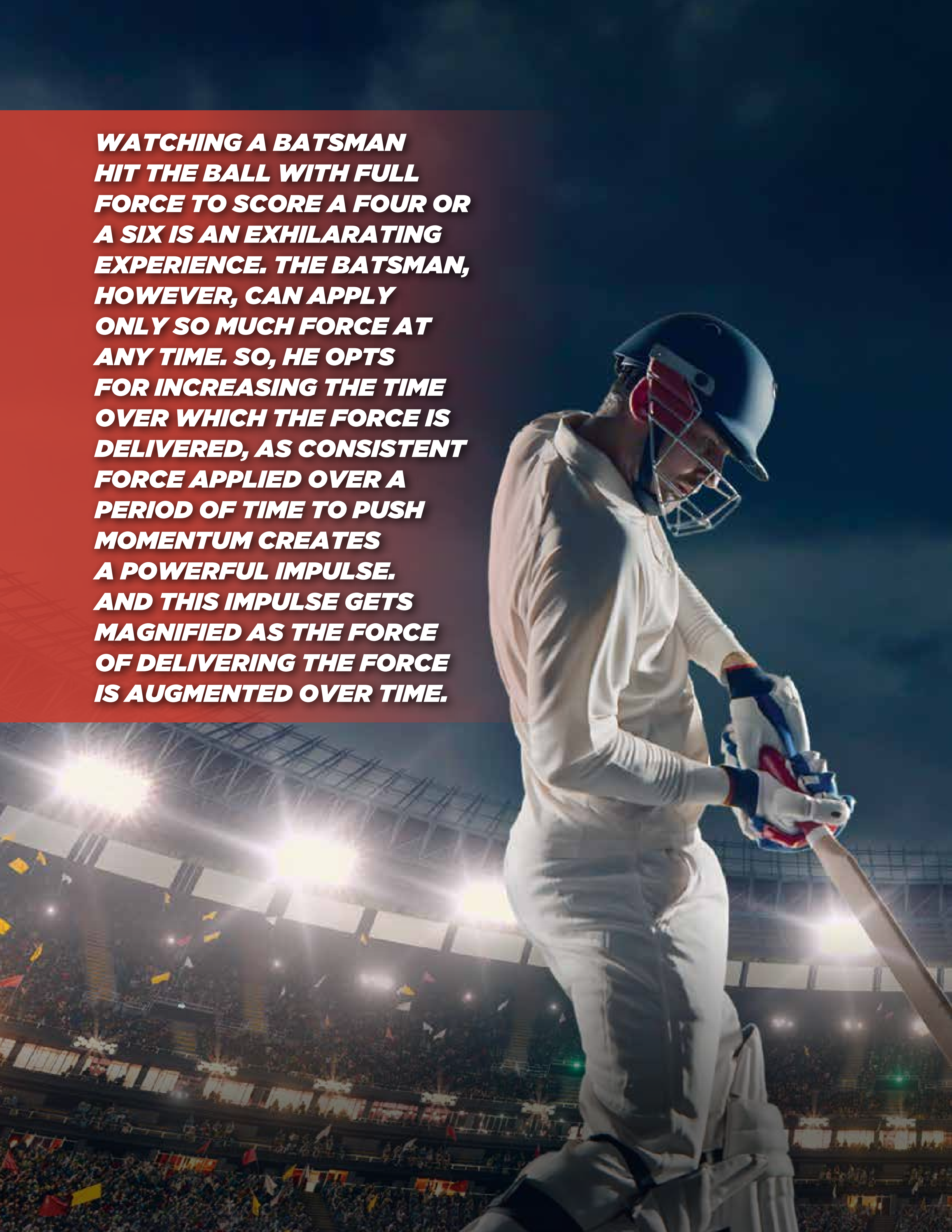
6 Mn
Set-Top Boxes

100%
Base Served through Hathway Connect

70%
Online Collection

(as of March 31, 2019)

Its strong management capability, the robustness of IT platforms, deep customer understanding, coupled with excellent on-ground execution, drove the momentum of Hathway's smooth migration to NTO during FY 2018-19.



WATCHING A BATSMAN HIT THE BALL WITH FULL FORCE TO SCORE A FOUR OR A SIX IS AN EXHILARATING EXPERIENCE. THE BATSMAN, HOWEVER, CAN APPLY ONLY SO MUCH FORCE AT ANY TIME. SO, HE OPTS FOR INCREASING THE TIME OVER WHICH THE FORCE IS DELIVERED, AS CONSISTENT FORCE APPLIED OVER A PERIOD OF TIME TO PUSH MOMENTUM CREATES A POWERFUL IMPULSE. AND THIS IMPULSE GETS MAGNIFIED AS THE FORCE OF DELIVERING THE FORCE IS AUGMENTED OVER TIME.

The Broadband business is a story of such impulse driven by consistent innovation which the Company continues to apply year after year. The Impulse in turn propels accelerated momentum to power business transformation, making it bigger and better every step of the way.

POWERING MOMENTUM... TO STRENGTHEN BROADBAND CONNECT

Building a strong customer connect in the ever-evolving Broadband business landscape requires a power-packed core of strengths to push the frontiers of innovation. With consumption of Content (Netflix, Sun NXT, Yupp TV etc.), Commerce and Communication moving more into the online space, the need for high speed, reliable services and unlimited data downloads has triggered a new wave of demand for wireline fibre broadband, aligned to global trends and standards.

With the launch of our nationwide upgraded service during the year, we have created a new benchmark in the broadband and wired internet market with high speed connectivity of 300 MBPS with 2TB Data. The ultra-high speed is a Hathway innovation targeting the growing demand for 4k OTT entertainment, online gaming and Internet of Things (IoT) application.

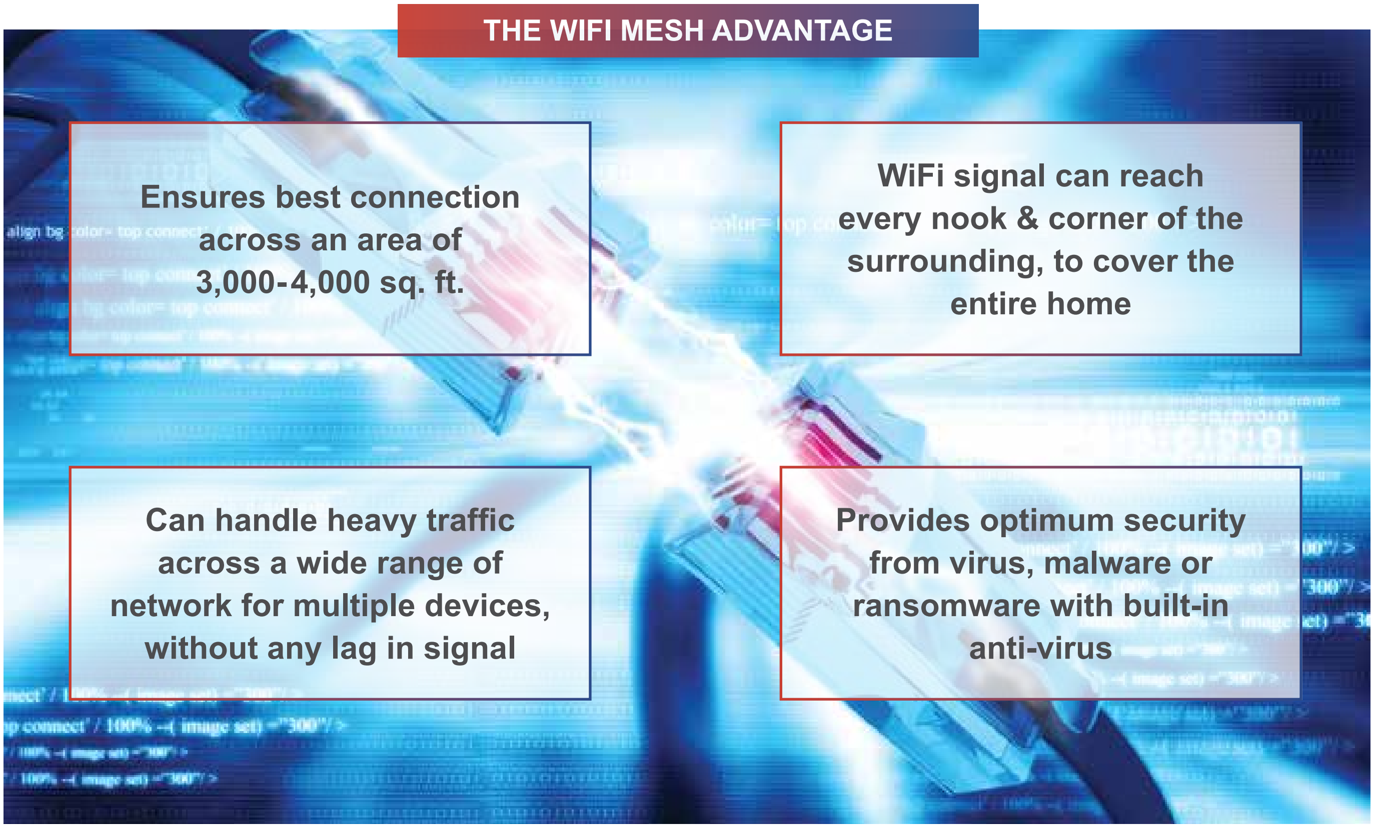
A disruptive price of ₹ 1,250 per month for a 12-month pack, bundled with an innovative globally best-in-class WiFi mess system, is further pushing the growth momentum in the mass market, while boosting the customer connect for the Company.

Enmeshed with the future

If Speed is the essence of Broadband's growth journey, then Momentum is the engine that will propel it towards a bigger and better connected future. With the Indian Broadband customer base, both wireless and wireline users, crossing the 100-million mark, the digital transformation of the country has scaled new heights, showcasing the power of broadband connectivity to make services and applications available to all.

Our unique WiFi Mesh technology, which we are providing as an extra with our broadband service, seeks to harness this futuristic opportunity to deliver to users a hassle-free, protected and a high speed broadband experience.

THE WIFI MESH ADVANTAGE



At Hathway, we look at WiFi as the oxygen for digital homes, with our mesh routers capable of blanketing a home with extensive coverage.

PLAYing with technology to boost customer experience

With Technology central to our customer proposition, we continue to invest in new and advanced technologies to enhance the level of engagement and deliver superior experience.

The Android platform-based Hathway Play Box is a new technological innovation aimed at boosting customer sticky-ness and long-term customer retention. It provides world-class large screen OTT-viewing experience to our privileged customers. It also allows customers to experience Android gaming on the big screen, enabling multiple users to have gaming fun on the same screen. It also provides customers a smarter way to watch all Google Play content on a big screen.

Tie-up with various OTT players

In this smart and digital era, customers are looking at leading Internet entertainment services to access high-quality, well-produced entertainment. To address this aspirational demand of customers, Hathway has tied up with various OTT players like Netflix, Zee5, Sun Nxt to deliver world-class entertainment at superfast speeds through the Hathway OTT box.

LEVERAGING MOMENTUM...
TO BROADBASE OUR BROADBAND BUSINESS

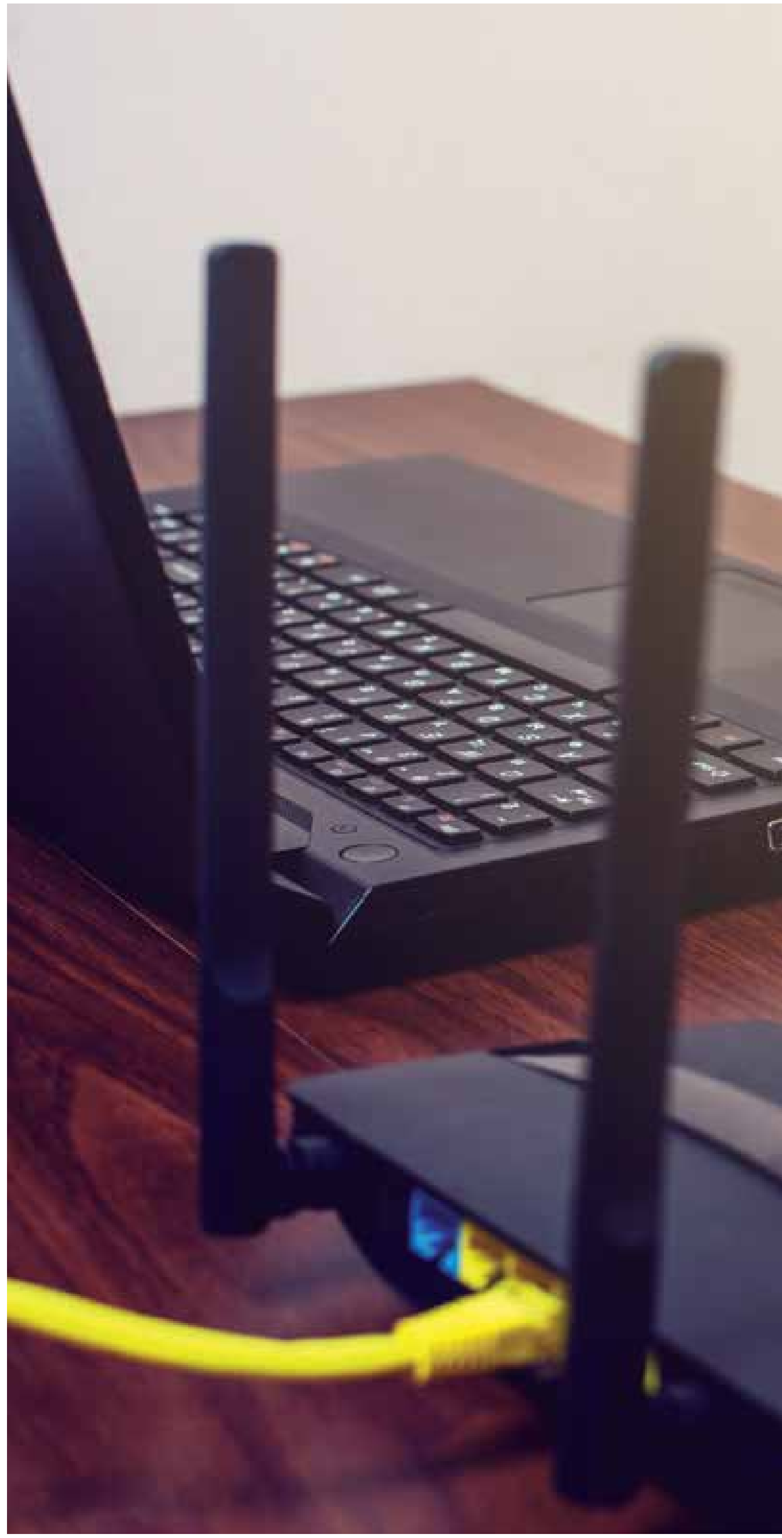
A growing preference for wireline broadband, with its ability to allow online media consumption and seamless accessibility of data to multiple devices at home, is scripting India's Broadband growth story. As on January 31, 2019, India has around 18.27 Mn wireline broadband customers – an addition of 0.31 Mn customers over March 2018, according to TRAI - The Indian Telecom Services Performance Indicators - Jan 2019.*

Our technological prowess continues to strengthen our ability to harness the growth prospects in this segment, which has witnessed an increase in minimum data, limited across the country to 200 GB/customer/month.

With a minimum entry fee of ₹ 999, we are strategically ensuring the acquisition of only serious customers, resulting in significantly highly acquisition quality and lower churn.

₹527.6 Cr.
Business Revenue

0.81 Mn
Number of customers



(As per revised definition i.e. a Broadband customer is a customer having minimum speed of 512 kbps.)

Our new upgraded technology (DOCSIS 3.1 and GPON Fibre to the home), delighted customers with enhanced data limits and efficient customer services has propelled the Company to the 4th position in the cable wireline broadband business for Hathway, as per the TRAI indicators.

(Source: TRAI - The Indian Telecom Services Performance Indicators - Jan 2019).

DOCSIS - Data Over Cable Service Interface Specification
GPON - Gigabit Passive Optical Networks

WHEN A LACROSSE PLAYER TRIES TO CATCH THE BALL, HE REACHES OUT TO PULL IT OFF THE AIR, CARRYING IT INWARD THEREAFTER, TOWARDS HIS BODY. THIS HELPS LENGTHEN THE TIME OVER WHICH COLLISION OCCURS, THUS REDUCING THE FORCE ON THE LACROSSE BALL AND ENABLING THE PLAYER TO NOT LOSE THE MOMENTUM MID-WAY THROUGH THE GAME.

Long-term growth, similarly, requires not just the generation of momentum but its sustained propulsion over time. It, in effect, requires the conservation of momentum, which alone can ensure sustainable progress for the future.

In line with this philosophy, we ran a series of customised digital campaigns during the year, across different markets, to build and sustain brand recall for our unique offerings.

SPREADING THE MOMENTUM...

The accelerated momentum at Hathway does not follow the narrow confines of the organisational network, but extends beyond, into the markets of our growth. FY 2018-19 saw us give this momentum a digital leap, through digital campaigns designed to the regional aspirations in customers across diverse markets.

#TAKE 2 Offer

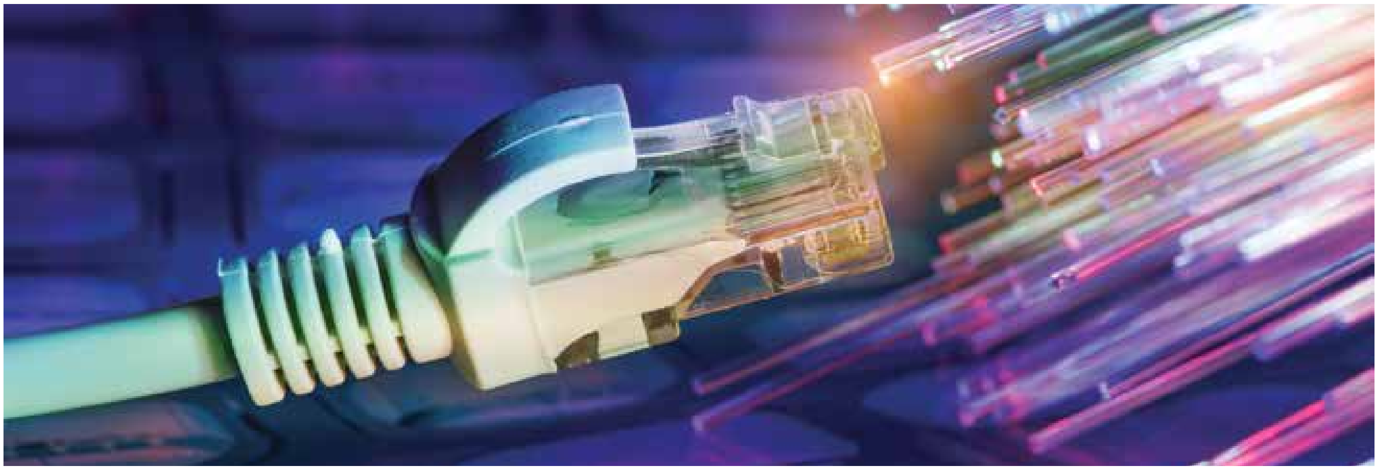
This BookMyShow referral campaign sought to leverage loyal Hathway customers to refer friends and family and get rewarded with tickets to the next blockbuster.

#Celebrity Testimonials (Chennai's Best)

A Chennai-specific celebrity campaign, this was aimed at building top-of-mind brand recall and generate buzz in the market by using celebrity testimonials. Chennai's top superstars helped shift the conversation from packages and plans to a bigger brand conversation.

#D-Link Promo campaign

Launched in Chennai, Bengaluru and Hyderabad markets, this was aimed at positioning Hathway as the best broadband connection home to connect a D-Link surveillance camera that helps monitor home security 24x7 / anytime anywhere.

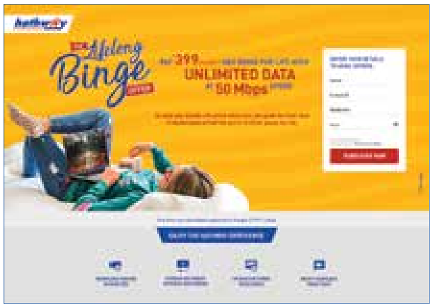


#LifeSetHai Campaign

Seeking to connect with Hyderabad's younger TG, we launched a first-in-the-market LifeTime Offer for just ₹ 349 per month, for those who love to binge on entertainment and like to be connected all the time.

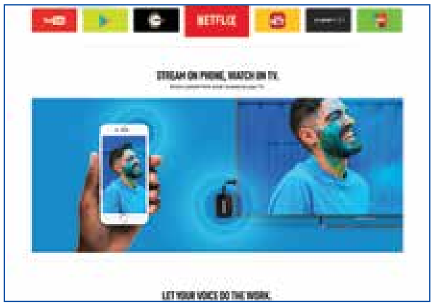
#KyaaaaReOfferaa

A Zero Rental offer for the Vellore market, this was targeted at the younger demographic, who are extremely price sensitive and look for the best deal in town. Adding some colloquial terms helped connect with the TG and drive a large number of clicks and conversions.



#LifeLongBinge Campaign

Another campaign for the young who love to binge on entertainment and want to be connected 24X7, this was a ₹ 399 per month Life Long Offer for the Hyderabad market.

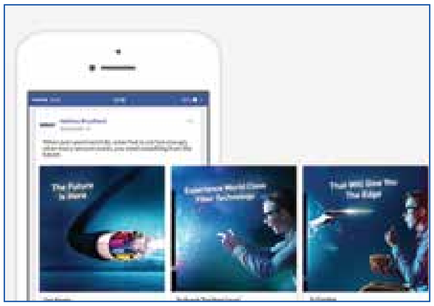


#Hathway PlayBox launch

For our first-of-its kind PlayBox launch in Chennai, we introduced a unique "StickToTheBest" brand campaign, both offline (leaflets and posters) and online (via FB ads and GDN banners) across customer touchpoints.

#HarSpotHotSpot

We launched "#HarSpotHotSpot" in key markets with the aim of addressing the problem of signal drops and uneven broadband experience across the home. The campaign resonated well with the customers. We also extended the campaign thought to Mesh WiFi, running the offer to drive the Mesh WiFi technology advantage for larger home and TG, looking at seamless connectivity across homes.



The #GPON advantage

Aimed at the tech-savvy audience of Bengaluru, we launched the Future of Speed with GPON tech to drive awareness and differentiation for Hathway in the city.

TG - Target Group

SCALING MOMENTUM WITH GTPL HATHWAY LIMITED

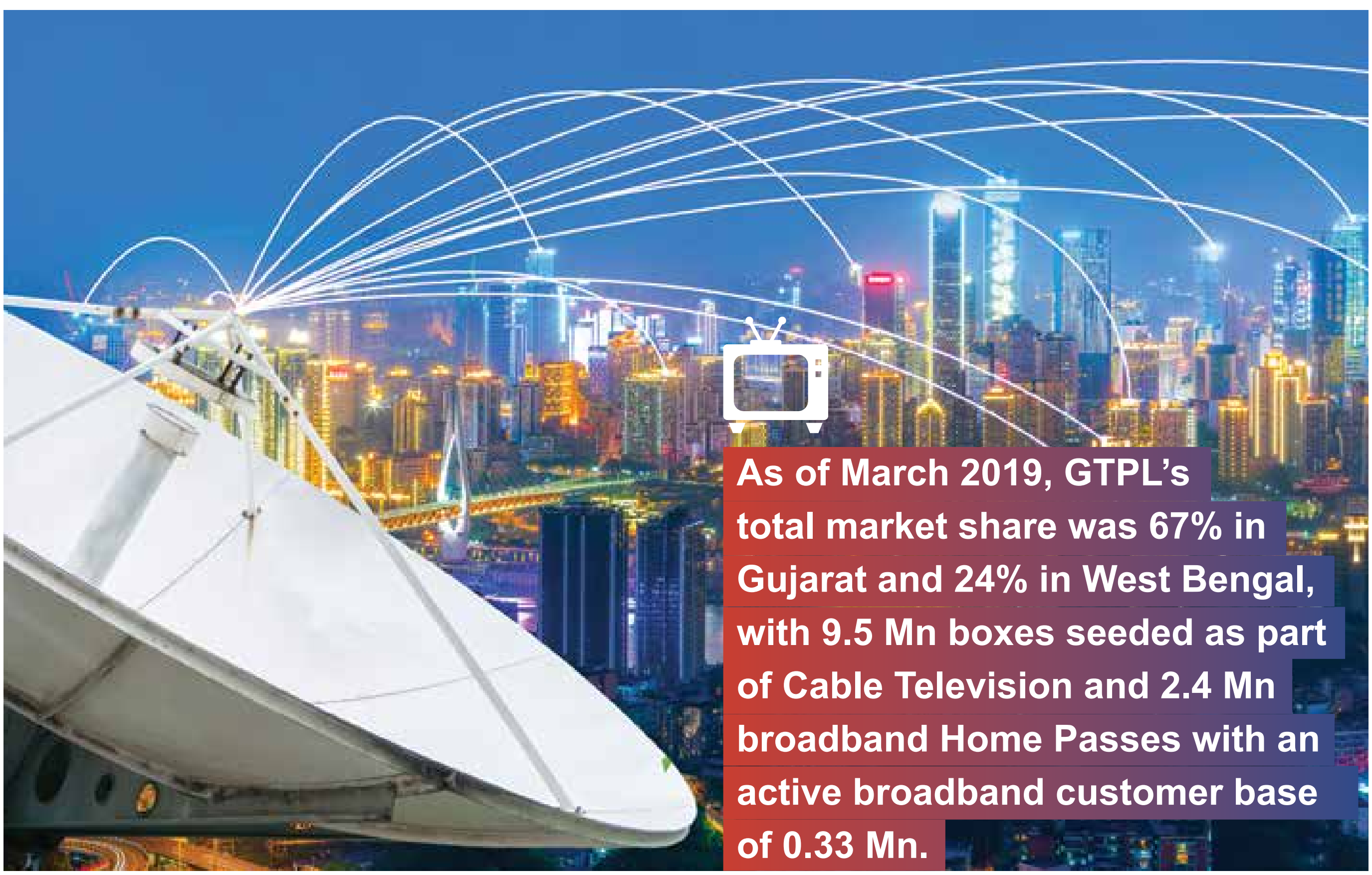
Faster is the way forward for us across every facet of our business value chain, including GTPL Hathway Limited (GTPL). Focussed on fast-paced expansion in the regional Cable Television markets that offer high potential for growth, GTPL Hathway Limited has retained its edge in the markets of its presence through FY 2018-19.

Its technological prowess and localised content custom-crafted to the needs of these niche markets has placed GTPL, in which the Company has 37.32% stake, in an enviable position. GTPL is today the No. 1 MSO in the State of Gujarat and No. 2 MSO in the State of West Bengal.

Powering the way forward for GTPL, in the fast mode, is its large network of approximately over 25,000 Kms of Optical Fibre Cable spread across India reaching to over 500+ cities and 9.5 Mn Seeded STBs. Complementing this strength are its main state-of-the-art head-end set-up at Ahmedabad and 4 support head-ends.

Cumulatively, these cutting-edge technologies and quality fibre cable framework, backed by service excellence, have led to GTPL's emergence as a leading regional MSO with presence in 500+ towns over 10 states, offering Cable Television as well as Broadband Services.

The subsidiary remains focussed on steering its vision and delivering to the aspirations of customers with a suite of imaginative products and services, designed to deliver value with simplicity and enhance the digital experience of its growing base of customers. Increased intervention in the Broadband space is paving the way for further fast forward growth for GTPL in this segment, where it sees a growing matrix of new opportunities.



NOTICE

NOTICE is hereby given that the Fifty Ninth Annual General Meeting of the Company will be held on Wednesday, 31st July, 2019 at 3:00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400049, to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt:**
   (a) Standalone Financial Statements for the year ended 31st March, 2019 comprising of the Audited Balance Sheet as at 31st March, 2019 and the statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with Report of Directors and Auditors thereon;

   (b) Consolidated Financial Statements for the year ended 31st March, 2019 comprising of the consolidated Audited Balance Sheet as at 31st March, 2019 and consolidated statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with Report of Auditors thereon;

2. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**
   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 read with rules thereunder, Mr. Akshay Raheja (DIN 00288397), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as Non-Executive Director of the Company."

SPECIAL BUSINESS:

3. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**
   "**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), altered articles of association of the Company, as available for inspection at the registered office of the Company, be and is hereby approved and adopted as the articles of association of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company, which includes any Committee thereof and/or any Officer(s) of the Company, authorised by the Board be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient to give effect to the above resolution."

4. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**
   "RESOLVED THAT pursuant to provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Geeta Fulwadaya (DIN: 03341926) who was appointed as Additional Director on 30th January, 2019 and in respect of whom the Company has received a notice in writing from a member proposing her candidature for office of Director, be and is hereby appointed as Non-Executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**
   "RESOLVED THAT pursuant to provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Saurabh Sancheti (DIN: 08349457) who was appointed as Additional Director on 29th March, 2019 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for office of Director, be and is hereby appointed as Non-Executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**
   "RESOLVED THAT pursuant to provisions of Section 152 and any other applicable provisions of the Companies Act,

2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Anuj Jain (DIN: 08351295) who was appointed as Additional Director on 29th March, 2019 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for office of Director, be and is hereby appointed as Non-Executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit and Auditors) Rules, 2014 (including any subsequent amendment/modification thereof) or any other law for the time being in force and upon recommendation of the Audit Committee of Board of Directors of the Company, M/s. Ashok Agarwal & Co., Cost Accountants, (Firm Registration No. 000510), appointed as the Cost Auditors of the Company by the Board of Directors, to conduct the audit of the cost records of the Company for the financial year 2019-20 at a remuneration of ₹ 575,000/- (Rupees Five Lakh Seventy Five Thousand only) plus reimbursement of out of pocket expenses, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

Ajay Singh
Head Corporate Legal,
Company Secretary &
Chief Compliance Officer
FCS NO: 5189

Place: Mumbai
Date: 15th April, 2019

Registered Office
Rahejas, 4th Floor,
Corner of Main Avenue & V. P. Road,
Santacruz West, Mumbai 400054
CIN: L64204MH1959PLC011421
Tel No. 022-26001306
Fax No. 022-26001307
Mail: info@hathway.net
website: www.hathway.com

NOTES:

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and on a poll, to vote instead of himself/herself and such proxy need not be a member of the Company.

2. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the meeting. Proxies submitted on behalf of the companies must be supported by appropriate resolution/authority, as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.

3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. Corporate Members intending to send their Authorized Representatives to attend the Annual General Meeting ("AGM") are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the AGM.

5. Any member proposing to seek any clarification on the accounts is requested to send the queries to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.

6. Pursuant to the amendment to the section 139 of the Companies Act, 2013, effective from 7th May, 2018, the ratification of the appointment of auditors by the members at every AGM has been done away with. Accordingly, the ratification of appointment of M/s. Nayan Parikh & Co., Chartered Accountants, who were appointed as the Statutory Auditors at the Fifty Seventh Annual General Meeting held on 15th September, 2017, for a period of 5 years, is not required at the ensuing AGM.

7. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM as per provisions of Section 171 and Section 189 of the Companies Act, 2013 respectively.

8. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, for Special Business, setting out all material facts and the statement of particulars of directors seeking re-appointment, are annexed hereto.

9. Members are requested to bring their copy of Annual Report and attendance slip to the meeting.

10. The Annual Accounts of the subsidiary companies shall be available at the Registered Office of the Company for inspection by any shareholder during working hours for a period of twenty-one days before the date of AGM.

11. Hard copy of the details of accounts of subsidiaries required by any shareholders can be obtained with a written request to the Company Secretary of the Company at the Registered Office of the Company.

12. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of AGM.

13. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold in physical form are requested to write their folio number in the attendance slip.

14. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent in respect of shares held in physical form and with respective Depository Participants (DP) where the shares are held in dematerialized form. Shareholders holding shares in physical form can send their email address for registration to rnt.helpdesk@linkintime.co.in quoting the Folio Number and Name of the Company.

15. The Annual Report and other documents will also be available on the Company's website www.hathway.com. The Company will be sending physical copy of Annual Report and other documents to all shareholders whose email address is not available with the Company. You may, anytime, request a printed copy of the Annual Report and other documents from the Company in spite of having registered under E-Communication facility.

16. The Company is providing facility for voting by electronic means and the business may be transacted through e-voting.

17. The facility for voting through ballot or polling paper shall be made available at the meeting and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

(i) The voting period begins on **Sunday, 28th July, 2019 at 10:00 am** and ends on **Tuesday, 30th July, 2019 at 5:00 pm**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Wednesday, 24th July, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the address sticker / Attendance slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for Hathway Cable and Datacom Limited on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of **Wednesday, 24th July, 2019**.

Mr. Himanshu S. Kamdar, Practicing Company Secretary (Membership No. 5171) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared after the conclusion of the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hathway.com and on the website of CDSL. The results will also be communicated to the Stock Exchanges on which the Company's equity shares are listed.

Request to investors:

a) Investors are requested to communicate change of address, if any, directly to the Registrar and Transfer agent of the Company at the mentioned address.

b) The Shareholders who still hold the shares in the physical mode are requested to convert their respective holding in dematerialized mode and get their email id registered with the Company/Registrar and Transfer agent to enable the Company to send all the Communications /Correspondence through electronic mode.

c) Investors who have not availed nomination facility are requested to avail the same by submitting the nomination form. The form will be made available on request.

d) Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number etc.

By Order of the Board

Ajay Singh
Head Corporate Legal,
Company Secretary &
Chief Compliance Officer
FCS NO: 5189

Place: Mumbai
Date: 15th April, 2019

Registered Office
Rahejas, 4th Floor,
Corner of Main Avenue & V. P. Road,
Santacruz West, Mumbai 400054
CIN: L64204MH1959PLC011421
Tel No. 022-26001306
Fax No. 022-26001307
Mail: info@hathway.net
website: www.hathway.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Company has completed the preferential allotment of 908,810,000 (Ninety Crores Eighty-Eight Lakhs and Ten Thousand) equity shares of the Company of the face value of ₹ 2 (Rupees Two) each (**Equity Shares**) at a price of ₹ 32.35 (including a premium of ₹ 30.35) per Equity Share aggregating up to ₹ 29,400,003,500 (Rupees Two Thousand Nine Hundred and Forty Crores and Three Thousand Five Hundred Only (**Preferential Allotment**) to Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited and Jio Cable and Broadband Holdings Private Limited (hereinafter collectively referred to as the "**New Promoter Group**"), as approved by the shareholders on 14th November, 2018. The Company, the New Promoter Group and Mr. Akshay Raheja, Mr. Viren Raheja, Hathway Investments Private Limited and Spur Cable and Datacom Private Limited (hereinafter collectively referred to as the **Existing Promoter Group**) had entered into a Share Subscription Agreement dated 17th October, 2018 ("**SSA**") in relation to the proposed Preferential Allotment to the New Promoter Group. Simultaneously with the execution of the SSA, the Company, New Promoter Group and the Existing Promoter Group of the Company have also entered into a Shareholders' Agreement dated 17th October, 2018 ("**SHA**").

The members may note that in terms of the SSA and SHA, the Company is required to amend its existing Articles of Association of the Company to reflect the various provisions/ terms of the SSA/SHA. Accordingly, it is considered prudent and desirable to adopt the altered Articles of Association of the Company. A summary of key changes proposed in the existing Articles of Association of the Company are given as below:

1. **The following key definitions have been inserted/ amended in the altered Articles:**

   "**Affiliate**" of a Person means: (a) in the case of any Person other than a natural person, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with the first named Person; and (b) in the case of any Person that is a natural person, any Relative of such first named Person and, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with the first named Person or a Relative of such first named Person;

   "**Applicable Law**" means all applicable laws, by-laws, statutes, rules, regulations, orders, ordinances, notifications, directions, writs, injunctions, judgments, decrees or official directive of any Governmental Authority having the force of law, as may be applicable;

   "**AR**" means Mr. Akshay Raheja;

   "**Asianet**" means Asianet Satellite Communications Limited having Corporate Identification Number - U92132KL1992PLC006725, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors;

   "**Associate Company**" shall have the meaning ascribed to it in the Act;

   "**Board**" means the Board of Directors of the Company or any duly authorized committee of the Board of Directors of the Company, as the case may be;

   "**Business**" means the business of (a) cable broadband services; (b) cable television services including, as multisystem operators; and (c) distribution of over the top services;

   "**Call Option**" shall have the meaning set out in Article 22.4;

   "**Call Option Notice**" shall have the meaning set out in Article 22.3;

   "**Call Option Price**" means the price of each Call Option Share, which is equivalent to 75% (seventy five percent) of the closing price of each Equity Share, as last traded on the National Stock Exchange of India Limited ("**NSE**") or the Bombay Stock Exchange ("**BSE**") (wherever the trading volumes for the Equity Shares are higher) on the Trading Day immediately preceding the date of issuance of the EoD Notice;

"**Call Option Shares**" shall have the meaning set out in Article 22.4;

"Chief Executive Officer" means the Chief Executive Officer of the Company appointed in accordance with Article 50.4;

"**Closing**" means the issue and allotment of the Subscription Shares to the New Promoter Group in accordance with the provisions of the Share Subscription Agreement dated 17^{th} October, 2018 ("**SSA**") executed among the Company, Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited, Jio Cable and Broadband Holdings Private Limited and the Existing Promoter Group;

"**Closing Date**" means the date on which Closing takes place;

"**Competitor**" means (i) any Person engaged in any Competing Business in India or its Affiliates; and (ii) the Persons identified in a list (which list shall be handed over by the New Promoter Group to the Existing Promoter Group (receipt of which shall be acknowledged in writing), prior to Closing and shall not comprise more than 10 Persons) and their respective Affiliates (the "**Prohibited Transferees**"). However, it is clarified that, reputed financial New Promoter Groups, including financial New Promoter Groups that hold investments in Competing Business shall not be Competitor(s);

"**Competing Business**" shall mean (a) the Business; and (b) the business of (i) direct-to-home broadcasting service and distribution of similar content through any other distribution platform; (ii) provision of telecommunication services; and (iii) media and entertainment;

"**Consolidation Period**" shall have the meaning set out in Article 16.7(c)(iii);

"**Control**" including with its grammatical variations such as "**Controlled by**", "**that Controls**" and "**under common Control with**", when used with respect to any entity, means the possession, directly or indirectly, of the right or power to direct or cause the direction of the management or policy decisions of the entity or in each case, by a Person or Persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders' agreements or voting agreements or in any other manner;

"**Cure Notice**" shall have the meaning set out in Article 22.2;

"**Cure Period**" shall have the meaning set out in Article 22.2;

"**Director**" means a director on the Board of the Company, as appointed from time to time;

"**Dividend**" shall have the meaning ascribed to it under Article 65;

"**Effective Date**" means the Closing Date;

"**Encumbrance**" means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, or other security interest securing any obligation of any Person; (ii) any proxy or escrow arrangement, commitment, restriction or limitation of such nature, or any other agreement or arrangement of a similar nature; (iii) voting agreement, lock-in, pre-emption right, right of first refusal, right of first offer, non-disposal undertaking or contractual transfer restriction in favour of any Person; or (iv) any agreement, arrangement or obligation to create any of the foregoing, and "**Encumber**" shall be construed accordingly;

"**EoD Notice**" shall have the meaning set out in Article 22.1;

"**EoD Notice Period**" shall have the meaning set out in Article 22.1;

"**Equity Shares**" means the equity shares, having a face value of INR 2 (Rupees Two Only) and carrying 1 (one) vote per equity share;

"**Event of Default**" shall have the meaning set out in Article 22.1;

"**Existing Promoter Group**" shall mean Mr. Akshay Raheja, Mr. Viren Raheja, Hathway Investments Private Limited and Spur Cable and Datacom Private Limited;

"**Existing Promoter Group Directors**" shall have the meaning set out in Article 30.1;

"**Financial Quarter**" means each period in a given Financial Year from (a) April 1 to June 30, (b) July 1 to September 30, (c) October 1 to December 31, or (d) January 1 to March 31;

"**Financial Year**" means the period commencing on 1^{st} of April of a calendar year and ending on the 31^{st} day of March of the immediately succeeding calendar year;

"**Floor Price**" shall have the meaning set out in Article 16.7 (c)(i)(B);

"**General Liquidity Sale Notice**" shall have the meaning set out in Article 16.7(c)(i);

"**Governmental Authority**" means any national, federal governmental authority, city, provisional or statutory authority, regulatory authority, government department, agency, commission, recognized stock exchanges, board, rule or regulation making entity/authority having jurisdiction over any Party, or other subdivision thereof or any municipality, district or other subdivision thereof to the extent that the rules, regulations, or orders of such authority, body or organisation have the force of law, or any court or tribunal having jurisdiction;

"**Group Company (ies)**" shall mean the entities which are (a) Subsidiaries of the Company; (b) companies which are in joint Control of the Company; (c) Associate Companies of the Company; and (d) joint venture companies of the Company, in each case as existing on 17th October, 2018 and any other in future;

"**GTPL**" means GTPL Hathway Limited having its registered office at 202, Sahajanand Shopping Center Opp: Swaminarayan Mandir, Shahibaug Ahmedabad, Gujarat- 380004, and having the Corporate Identification Number L64204GJ2006PLC048908;

"**HBCDL**" means Hathway Bhawani Cabletel & Datacom Limited having its registered office at 805/806, Windsor, 8th Floor, Off CST Road, Kalina, Santacruz (East), Mumbai-400098, and having the Corporate Identification Number L65910MH1984PLC034514;

"**Identified Acquirer Sale Notice**" shall have the meaning set out in Article 16.7(b)(i);

"**Identified Sale Offer Period**" shall have the meaning set out in Article 16.7(b)(ii);

"**Identified Sale Period**" shall have the meaning set out in Article 16.7(b)(iii);

"**Identified Sale Price**" shall have the meaning set out in Article 16.7(b)(i)(B);

"**Identified Sale Shares**" shall have the meaning set out in Article 16.7(b)(i)(A);

"**Insolvency Call Option**" shall have the meaning set out in Article 23.1;

"**Insolvency Call Option Notice**" shall have the meaning set out in Article 23.2;

"**Insolvency Call Option Price**" means the price of each Insolvency Call Option Share, which shall be the closing price of each Equity Share, as last traded on the NSE or the BSE (wherever the trading volumes for the Equity Shares are higher) on the Trading Day immediately preceding the date of issuance of the Insolvency Call Option Notice;

"**Insolvency Call Option Shares**" shall have the meaning set out in Article 23.1;

Insolvency Event" means with respect to any member of the Existing Promoter Group, if such member:

(a) commences proceedings for, or takes any corporate action authorizing or providing for its voluntary winding up or liquidation; or

(b) is subject to an application being filed by any Person under the Insolvency and Bankruptcy Code, 2016 and the rules and regulations thereunder, and such application before the NCLT is not dismissed within 7 (seven) days of filing of such application; provided that, for the purposes of this definition, the computation of 7 (seven) days shall not include the days on which the relevant bench of the NCLT, before which such application has been filed, is not taking up matters for hearing; or

(c) any other event occurs which would, under any Applicable Law, have a substantially similar effect to any of the events listed above;

"**Key Managerial Personnel**" shall have the meaning prescribed under the Act and shall also include the Chief Operating Officer, Chief Human Resources Officer, Chief Sales Officer, Chief Technical Officer or any other employee holding an equivalent designation in the Company or any Subsidiary;

"**Liquidity Sale**" means any Transfer of Equity Shares by the Existing Promoter Group in accordance with the provisions of Article 16.7;

"**Liquidity Shares**" shall have the meaning set out in Article 16.7(c)(i)(A);

"**Listing Agreement**" means the agreement executed by the Company with BSE and/or NSE, as the case may be;

"**Main Promoters**" means AR and VR;

"**Managing Director**" means the Managing Director of the Company appointed in accordance with Article 50.1 and includes Joint Managing Director or Whole-Time Director or whole-time directors;

"**NCLT**" shall mean the National Company Law Tribunal;

"**New Promoter Group**" shall collectively mean Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited and Jio Cable and Broadband Holdings Private Limited;

"**New Promoter Group Acceptance Notice**" shall have the meaning set out in Article 16.8(b)(i);

"**New Promoter Group Acquisition Notice**" shall have the meaning set out in Article 16.7(b)(ii);

"**New Promoter Group Consolidation Notice**" shall have the meaning set out in Article 16.7(c)(ii);

"**New Promoter Group Consolidation Offer Period**" shall have the meaning set out in Article 16.7(c)(ii);

"**New Promoter Group Rejection Notice**" shall have the meaning set out in Article 16.8(b)(ii);

"**Party**" shall individually mean (a) the Company, (b) the New Promoter Group, and (c) the Existing Promoter Group;

"**Person**" means any natural person, firm, company, governmental authority, joint venture, association, partnership, body corporate or other entity (whether or not having separate legal personality);

"**Private Sale**" means a Transfer of Equity Shares by the Existing Promoter Group to an identified Third Party that meets the following requirements:

(i) the Transfer of such number of Equity Shares of the Company that constitute at least 10% (ten percent) of the Equity Shares of the Company and upto all of the Equity Shares of the Company held by the Existing Promoter Group (collectively) to the identified Third Party; and

(ii) the Existing Promoter Group assign, at their sole discretion, their rights and obligations under Article 30 and Article 16 to such Third Party, together with the Transfer of the Equity Shares, and such Third Party executes a deed of adherence in the format set out in Schedule 2 of the Shareholders' Agreement;

"**Private Sale Offer Period**" shall have the meaning set out in Article 16.8(b);

"**Private Sale Notice**" shall have the meaning set out in Article 16.8(a);

"**Private Sale Shares**" shall have the meaning set out in Article 16.8(a)(i);

"**Private Sale Share Price**" shall have the meaning set out in Article 16.8(a)(ii);

"**Recognized Stock Exchanges**" means collectively, the BSE and the NSE;

"**Register of Members**" means the register of members required to be maintained by the Company pursuant to the Act;

"**Regulatory Threshold**" shall have the meaning set out in Article 22.4(a);

"**Relatives**" shall have the meaning prescribed under the Act;

"**Restricted Business**" means any undertaking, venture or business which is similar or substantially similar to the Business (or any part thereof);

"**Restricted Period**" means the term of the Shareholders' Agreement and for a period of 3 (three) years from the date on which the Shareholders' Agreement is terminated in accordance with the provisions therein;

"**Restricted Person**" means, (i) each of the members of the Existing Promoter Group; and (ii) the Affiliates of each member of the Existing Promoter Group;

"**Retransfer Trigger**" shall have the meaning set out in Article 23.6;

"**Rupees**" or "**INR**" means the lawful currency of India;

"**Securities**" means any Equity Shares or preference shares or debentures convertible into or exchangeable into Equity Shares or any other equity or equity linked instruments, including options and warrants issued by the Company or any security or instrument which grants voting rights in the Company;

"**Secretary**"" means the secretary of the Company appointed in accordance with Article 51;

"**Selling Existing Promoter**" shall have the meaning set out in Article 16.7(b)(i);

"**Shareholders' Agreement**" means Shareholders Agreement dated 17th October, 2018 (together with its schedules) among the Company, Jio Content Distribution Holdings Private Limited and Jio Internet Distribution Holdings Private Limited and Jio Cable and Broadband Holdings Private Limited and the Existing Promoter Group;

"**Share Capital**" means the issued and paid-up equity share capital of the Company on a fully diluted basis;

"**Subscription Shares**" means 908,810,000 (Ninety Crores Eighty Eight Lakhs and Ten Thousand) Equity Shares to be issued and allotted by the Company to the New Promoter Group constituting 51.34% (fifty one point three four percent) of the Share Capital (post allotment), in accordance with the terms of the SSA;

"**Subsidiary**" shall have the meaning ascribed thereto in Section 2(87) of the Act and shall include HBCDL;

"**Takeover Regulations**" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

"**Third Party**" means any Person which is not a Party to the Shareholders 'Agreement, not being an Affiliate of any Party;

"**Trading Day**" means a day (other than a Saturday or a Sunday or a public holiday) on which normal trading of equity shares is permitted on any of the Recognized Stock Exchanges;

"**Transfer**" means to sell, gift, assign, transfer, transfer any interest in trust, alienate, hypothecate, pledge, Encumber, grant a security interest in, place in trust (voting or otherwise), exchange, (whether by operation of Applicable Law or otherwise) or in any other way Encumber or dispose of, whether or not voluntarily;

"**VR**" means Mr. Viren Raheja.

2. **The following table provides the change only in article numbers without any material change in the content as was stated in previous articles;**

Existing Article Number	Altered Article Number
16	17
17	18
18	19
19	20
20	24
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3. **The following tables provides the new insertions in the Articles**

New Article Number	Altered Articles
16	**TRANSFER OF SHARES** 16.1 **No Purchase of Additional Securities by the Existing Promoter Group:** Unless otherwise permitted by the New Promoter Group in writing, none of the members of the Existing Promoter Group shall, directly or indirectly, purchase any additional Securities or any beneficial interest in respect of any additional Securities of the Company. However, it is hereby clarified that the restrictions under this Article 16.1 shall not apply to any acquisition of any Securities by the Existing Promoter Group: a) via a rights issue of Securities to the extent of the entitlement of the Existing Promoter Group in such rights issue, b) via issuance of bonus Securities, c) pursuant to stock splits, or d) pursuant to corporate reorganizations or similar such events where the Existing members of the Promoter Group, by virtue of being shareholders in the Company, are entitled to acquire Securities. 16.2 The Existing Promoter Group acknowledge and agree that any Transfer of their Securities in the Company by the Existing Promoter Group shall be in accordance with the provisions of the Articles 16, 22 and 23. The Existing Promoter Group and the New Promoter Group acknowledge and agree that any purported Transfer or attempt to Transfer any Securities in violation of the Articles shall be null and void ab initio.

16.3 **Permitted Transfers:**

a) The members of the Existing Promoter Group may Transfer the Securities held by them, inter se amongst the members of the Existing Promoter Group; provided that any such Transfer shall be subject to discussions with the New Promoter Group in good faith and shall be made:

I. in accordance with Regulation 10(1) of the Takeover Regulations; or

II. in such a manner so as to ensure that such Transfer is exempt from the requirement of making an open offer under Regulation 10 or 11 of the Takeover Regulations.

b) Subject to the prior written consent of the New Promoter Group, any member of the Existing Promoter Group may create an Encumbrance, directly or indirectly, on the Securities held by such member of the Existing Promoter Group for availing any loans or other financing facilities by such member of the Existing Promoter Group.

16.4 **General Limitations and Exceptions for Transfer:**

a) Till the third anniversary from the Effective Date, the Existing Promoter Group (to be considered collectively) shall not Transfer any Securities in any Financial Year in excess of 5% (five percent) of the Equity Shares of the Company without the prior written consent of the New Promoter Group.

b) The Existing Promoter Group acknowledge and agree that the Existing Promoter Group shall not Transfer any Securities, by way of a Private Sale, prior to the third anniversary from the Effective Date, without the prior written consent of the New Promoter Group.

c) After the third anniversary from the Effective Date, the Existing Promoter Group shall have the right to Transfer the Equity Shares of the Company either:

I. by way of a Private Sale, in accordance with the provisions of Article 16.8 below; or

II. by way of Liquidity Sales in accordance with the provisions of Article 16.7 below, provided that in case of Liquidity Sales, the Existing Promoter Group shall not Transfer (A) more than 5% (five percent) of the Equity Shares of the Company in a given Financial Quarter; and (B) 10% (ten percent) of the Equity Shares of the Company in a given Financial Year.

d) The Existing Promoter Group acknowledge and agree that that the right to initiate a Liquidity Sale shall only be available to the Existing Promoter Group after a period of at least 3 (three) months has elapsed since the Transfer of the last of the relevant Equity Shares that were offered to the New Promoter Group in accordance with Article 16.7(c) by the Existing Promoter Group pursuant to a prior Liquidity Sale.

e) Notwithstanding anything contained in Article 16.4 and subject to Article 16.7(c)(iv)(A), none of the members of the Existing Promoter Group shall Transfer their Equity Shares to any Competitor. The New Promoter Group shall be entitled to update, amend or modify the list of Prohibited Transferees once in every Financial Year by issuing a written notice to the Main Promoters, so long as the number of Persons set out in this list does not exceed 10 (ten).

f) For avoidance of doubt, it is clarified that the restriction on the Existing Promoter Group in relation to Transfer to Competitors shall also apply with respect to creation of Encumbrance by the Existing Promoter Group under Article 16.3(b).

g) The Existing Promoter Group shall intimate the New Promoter Group within 15 (fifteen) days of the commencement of each Financial Year of their intention to sell any Securities in that Financial Year if any such plan exists at the beginning of the Financial Year.

h) In case of Transfer of Securities by the Existing Promoter Group to the New Promoter Group in accordance with this Article 16, the Existing Promoter Group shall ensure such Securities are transferred to the New Promoter Group free and clear of all Encumbrances.

i) The Existing Promoter Group and the New Promoter Group acknowledge and agree that the computation of the number of days or Trading Days in this Article 16 shall exclude any periods during which the trading window for trading the Securities of the Company is closed resulting in an inability for the Existing Promoter Group or the New Promoter Group to sell or purchase the Equity Shares, as the case may be. In this context, it is clarified that the relevant number of days or Trading Days applicable in any provision of this Article 16 shall be extended accordingly.

16.5 The Existing Promoter Group and the New Promoter Group agree that the Transfer restrictions in the Articles shall not be capable of being avoided by the holding of the Securities indirectly through a company or other entity that can itself be sold or transferred in order to dispose of an interest in Securities free of such restrictions.

16.6 **Transfer Procedure**

No Transfer may be made pursuant to this Article 16 unless:

I. the Transfer complies in all respects with the provisions of the Articles; and

II. the Transfer complies with Applicable Laws.

16.7 **Liquidity Sales**

a) General provision for Liquidity Sales Subject to the restrictions set out in this Article 16, the Existing Promoter Group may execute Liquidity Sales in accordance with Article 16.7(b) and Article 16.7(c) below.

b) Liquidity Sale to an Identified Third-Party Acquirer;

   I. Subject to the limitations set out in Article 16.4 and Article 16.7(a), in the event any member of the Existing Promoter Group(s) (a "**Selling Existing Promoter**") intend to Transfer any Equity Shares to an identified Third Party following the receipt of a firm offer from such identified Third Party, then the Selling Existing Promoter shall first exclusively offer to Transfer such Equity Shares to the New Promoter Group by giving written notice to the New Promoter Group ("**Identified Acquirer Sale Notice**"). The Identified Acquirer Sale Notice shall set out the following information:

      (A) the number of Equity Shares proposed to be Transferred by the Selling Existing Promoter ("**Identified Sale Shares**"), provided that the number of Equity Shares proposed to be Transferred by the Selling Existing Promoter shall be at least equal to 1.5% (one point five percent) of the Equity Shares of the Company;

      (B) the price per Equity Share at which the Selling Existing Promoter is willing to Transfer each Equity Share **("Identified Sale Price")**;and

      (C) the name of the identified Third Party.

   II. The New Promoter Group shall have the right to notify the Selling Existing Promoter of its intention to acquire each of the Identified Sale Shares at the Identified Sale Price (**"New Promoter Group Acquisition Notice"**), within 1 (one) Trading Day of the receipt of the Identified Acquirer Sale Notice(**"Identified Sale Offer Period"**).

   III. Within 5 (five) Trading Days from the date of issuance of the New Promoter Group Acquisition Notice (**"Identified Sale Period"**), the Selling Existing Promoter and the New Promoter Group shall undertake all necessary actions to complete the sale and Transfer of the Identified Sale Shares at the Identified Sale Price.

   IV. If the New Promoter Group

      (i) fails to issue a New Promoter Group Acquisition Notice within the Identified Sale Offer Period, or

      (ii) rejects the offer to acquire the Identified Sale Shares within the Identified Sale Offer Period, the Selling Existing Promoter may complete the sale and Transfer of the Identified Sale Shares at the Identified Sale Price with the identified Third Party, on or prior to the expiry of the Identified Sale Period, provided that if the New Promoter Group fails to acquire the Identified Sale Shares within the Identified Sale Period, then the Selling Existing Promoter may complete the sale and Transfer of the Identified Sale Shares at the Identified Sale Price with the identified Third Party, on or prior to the expiry of 5 (five) Trading Days from the date of expiry of the Identified Sale Period.

c) General Liquidity Sale – No Identified Third-Party Acquirer

   I. Subject to the limitations set out in Article 16.4 and Article 16.7(a), if the Selling Existing Promoter intends to Transfer any Equity Shares, then the Selling Existing Promoter shall first exclusively offer to Transfer such Equity Shares to the New Promoter Group by giving written notice to the New Promoter Group (**"General Liquidity Sale Notice"**). The General Liquidity Sale Notice shall set out the following information:

      (A) the number of Equity Shares proposed to be Transferred by the Selling Existing Promoter (**"Liquidity Shares"**), provided that the number of Equity Shares proposed to be Transferred by the Selling Existing Promoter shall be at least equal to 1.5% (one-point five percent) of the Equity Shares of the Company;

(B) the minimum price per Equity Share at which the Selling Existing Promoter is willing to Transfer each Equity Share (**“Floor Price”**), and its intention to Transfer each Equity Share to the New Promoter Group at the prevailing market price on the date of execution of the trade provided that the prevailing market price is greater than the Floor Price; and

(C) a representation from the Selling Existing Promoter Group that the Selling Existing Promoter (and its Affiliates) has not identified a Third Party for acquiring the Liquidity Shares.

II. The New Promoter Group shall have the right to notify the Selling Existing Promoter of its intention to acquire each of the Liquidity Shares on the terms and conditions set out in the General Liquidity Sale Notice (**“New Promoter Group Consolidation Notice”**), within 1 (one) Trading Day of the receipt of the General Liquidity Sale Notice (**“New Promoter Group Consolidation Offer Period”**).

III. Within 5 (five) Trading Days from the date of issuance of the New Promoter Group Consolidation Notice (“**Consolidation Period**”), the Selling Existing Promoter and the New Promoter Group shall take all necessary actions to complete the sale and Transfer of the Liquidity Shares at the prevailing market price for each Liquidity Share, provided that such prevailing market price is at or above the Floor Price.

IV. If the New Promoter Group (A) fails to issue a New Promoter Group Consolidation Notice within the New Promoter Group Consolidation Offer Period, or (B) fails to complete the acquisition of the Liquidity Shares within the Consolidation Period, or (C) rejects the offer to acquire the Liquidity Shares within the New Promoter Group Consolidation Offer Period, then the Selling Existing Promoter shall have the right to either:

(A) within a period of 60 (sixty) days from the expiry of the later of:

(i) the New Promoter Group Consolidation Offer Period, or

(ii) the Consolidation Period, as the case may be, Transfer all or any of the Liquidity Shares, in one or more tranches, on the floor of the Recognized Stock Exchange(s) at any price which is at or above the Floor Price, provided that the period of 60 (sixty) days may be extended pursuant to mutual agreement between the New Promoter Group and the Existing Promoter Group, acting in good faith; or

(B) within a period of 15 (fifteen) Trading Days from the expiry of the later of:

(i) the New Promoter Group Consolidation Offer Period, or

(ii) the Consolidation Period, as the case may be, Transfer all or any of the Liquidity Shares, in one or more tranches, on the floor of the Recognized Stock Exchange(s) through the order matching mechanism of the recognised Stock Exchanges following a book-building process undertaken by a merchant banker registered with SEBI. In such a scenario, the Selling Existing Promoter shall endeavor on a good faith basis, to not Transfer the Liquidity Shares to a Third Party, where such Transfer may result in the Third Party holding more than 9.99% (nine point nine percent) of the Equity Shares of the Company. Additionally, the Selling Existing Promoter Group shall acting in good faith endeavour to Transfer the Liquidity Shares through one book build process, provided that in no event shall there be more than two (2) book build processes; Provided that if the Selling Existing Promoter issues a General Liquidity Sale Notice, after the Equity Shares held by the Existing Promoter Group (collectively) is less than 5% (five percent) of the Equity Shares of the Company, then the Existing Promoter Group shall have the right to Transfer the Liquidity Shares in any manner determined by the Existing Promoter Group, at their sole discretion, within a period of 60 (sixty) days from the later of

(i) the New Promoter Group Consolidation Offer Period, or

(ii) the Consolidation Period, as the case may be, failing which the process set out in Article 16.7(c) shall repeat.

16.8 **Private Sale**

a) Subject to the restrictions set out in Article 16.4, in the event any member of the Existing Promoter Group intends to Transfer its Securities by way of a proposed Private Sale, the Existing Promoter Group shall issue a notice to the New Promoter Group with the terms of the offer of such proposed Private Sale (the **"Private Sale Notice"**). The Private Sale Notice shall set out the following:

I. the number of Equity Shares proposed to be Transferred by the Existing Promoter Group ("**Private Sale Shares**");

II. the price per Private Sale Share (**"Private Sale Share Price"**);

III. the terms and conditions of the Transfer of the Private Sale Shares; and

IV. the identity and details of the Third Party, together with a firm offer (which shall be conditional only to the New Promoter Group's exercise of its rights under this Article 16.8, and after such Third Party having completed a due diligence, if required) received from such a Third Party with respect to (i), (ii) and (iii) above.

b) Within 7 (seven) days of receipt of the Private Sale Notice by the New Promoter Group (**"Private Sale New Promoter Group Offer Period"**), the New Promoter Group may notify the Existing Promoter Group by way of a written notice:

I. of its acceptance of the terms of the offer contained in the Private Sale Notice ("**New Promoter Group Acceptance Notice**"); or

II. of its rejection of the offer contained in the Private Sale Notice ("**New Promoter Group Rejection Notice**").

c) The New Promoter Group Acceptance Notice shall constitute a valid, legally binding and enforceable agreement between the New Promoter Group and the Existing Promoter Group, for the relevant member of the Existing Promoter Group to sell and Transfer, and for the New Promoter Group to purchase all the Private Sale Shares. The New Promoter Group and the Existing Promoter Group shall complete the Transfer of such Private Sale Shares, in accordance with the terms and conditions set out in the Private Sale Notice, within 7 (seven) days of receipt of the New Promoter Group Acceptance Notice.

d) The aggregate amount payable by the New Promoter Group for such Private Sale Shares shall be equal to the product of the Private Sale Share Price and the number of Private Sale Shares.

e) On the completion of the sale and purchase of such Private Sale Shares, the Existing Promoter Group represents and warrants that its entire legal and beneficial interest in such Private Sale Shares shall stand sold and be transferred to the New Promoter Group with full title guarantee, free and clear of all Encumbrances.

f) If the New Promoter Group issues a New Promoter Group Rejection Notice or does not respond to the Private Sale Notice within the Private Sale New Promoter Group Offer Period, then the Existing Promoter Group shall have the right to sell all (but not less than all) the Private Sale Shares to the Third Party set out in the Private Sale Notice: (a) at the Private Sale Share Price or a price higher than the Private Sale Share Price; (b) on the same terms provided to the New Promoter Group in the Private Sale Notice, and (c) within a period of 30 (thirty) days from the earlier of the date of the New Promoter Group Rejection Notice or the expiry of the Private Sale New Promoter Group Offer Period, as applicable, failing which the process set out in this Article 16.8 shall repeat.

g) In case of Private Sale to a Third Party in accordance with Article 16.8(f), the New Promoter Group shall facilitate provision of information by the Company to such Third Party, which may be reasonably requested for by such Third Party, prior to completing the Private Sale.

h) The Existing Promoter Group agree that Private Sale Shares may only be Transferred to a Third Party in accordance with Article 16.8(f) and if the Existing Promoter Group propose to assign their rights and obligations under Article 30 and Article 16 to such Third Party, such Third Party acquiring such Private Sale Shares shall execute a deed of adherence in the format set out in Schedule 2 of the Shareholders' Agreement. Consequently, if no rights are being assigned to the transferee Third Party, then no obligations under the Articles shall apply to the transferee Third Party and the transferee Third Party shall not be required to enter into a deed of adherence.

21 **NON-COMPETE AND NON-SOLICITATION**

21.1 The Existing Promoter Group hereby agrees and undertakes that it shall not and shall procure that the Restricted Persons shall not, directly or indirectly, during the Restricted Period:

a) carry on, be engaged in, manage, own, invest in (by way of equity, debt, equity-linked instrument, debt-linked instrument or similar hybrid instruments) any Restricted Business in the territory of the Republic of India;

b) during the Restricted Period, induce or seek to induce any employee or executive Director of the Company or Group Companies to become employed whether as employee, consultant or otherwise, by any member of the Existing Promoter Group or their Affiliates, whether or not such employee or such Director shall commit a breach of such employee's/ director's contract of service; or

c) solicit, knowingly encourage, assist any customer, vendor, distributor, dealer or agent, which is engaged with the Company or Group Companies to be involved or engaged with the Existing Promoter Group in relation to any Restricted Business provided that, for the purpose of Article 21.1(b) and 21.1(c), the reference to "Group Companies" shall be limited to each Group Company of the Company as on the date of termination of the Shareholders Agreement

21.2 Notwithstanding any other provision of the Articles, the restrictions and provisions set out in Article 21.1 shall not apply to any passive investment by any of the Restricted Persons in equity shares or other securities, which is listed on any stock exchange in India or elsewhere, not exceeding 2% (two percent) of the issued share capital of such Person.

21.3 The covenants of non-competition and non-solicitation contained in Article 21 are reasonable and equitable as to the subject matter hereof, and are integral and necessary for protecting the value of the Company on the basis of which value the New Promoter Group has agreed to invest in the Company, and that a breach of any of the terms of such covenants and obligations will cause the Company and the New Promoter Group irreparable injury.

21.4 Notwithstanding anything contained herein or agreed between the Existing Promoter Group and the New Promoter Group hereto, the New Promoter Group and the Company, acknowledge that the Restricted Persons have Control over Asianet, and in pursuance of such acknowledgement each of the New Promoter Group and the Company, agree that such Control, does not in any manner whatsoever, contravene the provisions of Articles 21.1 to 21.3, and that Asianet including its operations and business is entirely outside the ambit of the provisions of Articles 21.1 to 21.3 of the Articles or any similar restriction contained in any other document.

22 EVENT OF DEFAULT

22.1 If any of the following provisions of the Articles are breached by the Existing Promoter Group:

a) Article 16; or

b) Article 21.1 (a).

(each, an "**Event of Default**"), the New Promoter Group shall be entitled to deliver a written notice (an **"EoD Notice"**) to the Existing Promoter Group, within 90 (ninety) days of becoming aware of the existence of such an Event of Default ("**EoD Notice Period**"). Provided that the New Promoter Group shall be entitled to exercise its rights under this Article 22 even if the New Promoter Group does not deliver the EoD Notice within the afore-mentioned period of 90 (ninety) days. It is clarified for avoidance of doubt that an occurrence of any of the Events of Default in relation to one of the members of the Existing Promoter Group shall be construed to be an Event of Default with respect to all of the members of the Existing Promoter Group and the consequences and effects of occurrence of the Event of Default as set out in this Article 22 below shall be applicable with respect to all the members of the Existing Promoter Group. It is further clarified that if the New Promoter Group delivers an EoD Notice to the Existing Promoter Group after the EoD Notice Period and exercises the Call Option by payment of the Call Option Price per Call Option Share (defined below), the Existing Promoter Group shall, in connection with Transfer of such Call Option Shares to the New Promoter Group at the Call Option Price, have the right to seek damages from the New Promoter Group for any direct loss caused to the Existing Promoter Group due to delay by the New Promoter Group to serve the EoD Notice within the EoD Notice Period; provided that purchase of the Call Option Shares at the Call Option Price by the New Promoter Group shall not be considered to be a loss caused to the Existing Promoter Group for the purposes of this Article 22.1.

22.2 The Existing Promoter Group shall have a period of 60 (sixty) days from the date of receipt of the EoD Notice to remedy such Event of Default (the **"Cure Period"**) and shall provide evidence to the reasonable satisfaction of the New Promoter Group of having remedied such Event of Default (**"Cure Notice"**).

22.3 The Call Option shall be exercised by way of a written notice from the New Promoter Group to the Existing Promoter Group (the "**Call Option Notice**") upon:

a) expiry of the Cure Period (i.e. provided that the relevant Event of Default has not been remedied to the reasonable satisfaction of the New Promoter Group); or

b) the delivery of the EoD Notice, if the Event of Default is not capable of being remedied, (the **"Invocation Trigger"**). The Call Option Notice shall set out the Call Option Price per Equity Share. The issuance of the Call Option Notice shall constitute a valid and binding agreement between the Existing Promoter Group and the New Promoter Group, for the New Promoter Group to purchase and the Existing Promoter Group to sell the Call Option Shares.

22.4 Upon issuance of the Call Option Notice, the New Promoter Group shall have the right, but not the obligation to require the Existing Promoter Group to sell to the New Promoter Group, free and clear of all Encumbrances, all (but not less than all) the Securities held by the Existing Promoter Group (**"Call Option Shares"**), together with all rights, title and interest therein at the Call Option Price per Equity Share (the **"Call Option"**) in:

a) more than 1 (one) tranche, if acquisition of the Call Option Shares in one tranche will require the New Promoter Group to make a mandatory open offer in accordance with Applicable Law (**"Regulatory Threshold"**); or

b) in 1 (one) tranche, if acquisition of the Call Option Shares by the New Promoter Group does not breach/trigger the Regulatory Threshold for that Financial Year.

22.5 In the event the Call Option Shares are being acquired by the New Promoter Group in 1(one) tranche, the acquisition of such Call Option Shares (as determined in accordance with Article 22.4(b) above), shall be completed within a period of 90 (ninety) days from the date of the Invocation Trigger, failing which:

a) the Call Option in respect of such Call Option Shares shall automatically lapse; and

b) the Existing Promoter Group shall have the right to Transfer such Call Option Shares in accordance with the provisions Article 16 hereof.

22.6 In the event the Call Option Shares are being acquired in more than one tranche, then the New Promoter Group acknowledges and agrees that it shall continue to be entitled to purchase from the Existing Promoter Group, subsequent tranches of the Call Option Shares (each subsequent tranche being upto the permissible Regulatory Threshold for the relevant Financial Year), at the Call Option Price per Equity Share within 90 (ninety) days of the beginning of the subsequent Financial Year(s), failing which the Call Option in respect of the Call Option Shares for that Financial Year shall automatically lapse and the Existing Promoter Group shall have the right to Transfer such Call Option Shares in accordance with the provisions of Article 16 hereof.

22.7 Notwithstanding anything else contained in the Articles, it is hereby agreed that upon occurrence of an Event of Default and issuance of the EoD Notice by the New Promoter Group,

I. the Existing Promoter Group shall not be permitted to Transfer any Securities to any Person (other than in accordance with this Article 22);

II. all the rights of the Existing Promoter Group under the Articles shall be immediately suspended;

III. the obligation of the Existing Promoter Group under the Article shall continue; and

IV. upon the completion of the Transfer of the Call Option Shares to the New Promoter Group in accordance with this Article 22, the New Promoter Group shall not be entitled to any further monetary relief under Applicable Law, whether by way of damages, indemnity, or otherwise.

23 INSOLVENCY CALL OPTION

23.1 Upon occurrence of an Insolvency Event in relation to any member of the Existing Promoter Group, the New Promoter Group shall have the right, but not the obligation, to require the relevant member of the Existing Promoter Group (and any other Existing Promoter Group which is Controlled by member of the such Existing Promoter Group) to sell to the New Promoter Group, free and clear of all Encumbrances, any and all Securities held by such member of the Existing Promoter Group, together with all rights, title and interest therein at the Insolvency Call Option Price per Equity Share (the **"Insolvency Call Option"** and such Securities which form the subject of a Insolvency Call Option, the **"Insolvency Call Option Shares"**) in one or more tranches.

23.2 The Existing Promoter Group shall have the right to discuss, in good faith, with the New Promoter Group, the veracity of the claims made against the relevant member of the Existing Promoter Group triggering this Article 23, for a period not exceeding 3 (three) days from the occurrence of the Insolvency Event. The Existing Promoter Group and the New Promoter Group agree that the New Promoter Group shall have the right to exercise the Insolvency Call Option, after the discussions set out herein, by way of a written notice to the relevant member of the Existing Promoter Group indicating the number of Insolvency Call Option Shares that the New Promoter Group wishes to acquire and the Insolvency Call Option Price per Equity Share (the **"Insolvency Call Option Notice"**). The New Promoter Group shall issue a separate Insolvency Call Option Notice for each tranche of the Insolvency Call Option Shares that it wishes to acquire.

23.3 The issuance of each Insolvency Call Option Notice shall constitute a valid and binding agreement between the relevant member of the Existing Promoter Group and the New Promoter Group thereto for the New Promoter Group to purchase and the relevant member of the Existing Promoter Group to sell the Insolvency Call Option Shares as set out in the Insolvency Call Option Notice and the sale and purchase of the Insolvency Call Option Shares shall be completed immediately but no later than 30 (thirty) days of the receipt of the Insolvency Call Option Notice.

23.4 The aggregate amount payable by the New Promoter Group for the Insolvency Call Option Shares shall be an amount equal to the Insolvency Call Option Price per Equity Share multiplied by the aggregate number of Insolvency Call Option Shares that are being sold under an Insolvency Call Option Notice.

23.5 Notwithstanding anything else contained in the Articles, it is hereby agreed that upon occurrence of an Insolvency Event and issuance of Insolvency Call Option Notice by the New Promoter Group,

I. the relevant member of the Existing Promoter Group (and any other member of the Existing Promoter Group which is Controlled by such member of the Existing Promoter Group) shall not be permitted to Transfer any Securities to any Person (other than in accordance with this Article 23);

II. all the rights of such members of the Existing Promoter Group under the Articles shall be immediately suspended; and

III. the obligations of such members of the Existing Promoter Group shall continue.

23.6 In the event the relevant members of the Existing Promoter Group has completed the Transfer of the Insolvency Call Option Shares at the Insolvency Call Option Price pursuant to the provisions of this Article 23 and within a period of 180 (one hundred and eighty) days thereafter, the Insolvency Event triggering the initiation of such Insolvency Call Option Notice ceases to be operative/effective (**"Retransfer Trigger"**), then at the option of the relevant member of the Existing Promoter Group (notified in writing within 30 (thirty) days of the Retransfer Trigger), the New Promoter Group shall re-transfer (in accordance with Applicable Law) all the Insolvency Call Option Shares to the relevant Existing Promoter Group at the Insolvency Call Option Price within a period of 30 (thirty) days (or such other reasonable time frame as may be agreed between the relevant Existing Promoter Group and the New Promoter Group).

30 **APPOINTMENT OF DIRECTORS BY THE EXISTING PROMOTER GROUP**

30.1 The New Promoter Group acknowledges and agrees that so long as the Existing Promoter Group collectively continue to hold at least 20% (twenty percent) of the Equity Shares of the Company, the Existing Promoter Group shall collectively be entitled to nominate and appoint 2 (two) persons as non-executive Directors (the **"Existing Promoter Group Directors"**). As on the Effective Date, the Existing Promoter Group Directors shall be AR and VR.

30.2 The New Promoter Group acknowledges and agrees that so long as the Existing Promoter Group collectively continue to hold at least 10% (ten percent) of the Equity Shares of the Company but less than 20% (twenty percent) of the Equity Shares of the Company, the Existing Promoter Group shall collectively be entitled to nominate and appoint 1 (one) person as a non-executive Director, who shall preferably be either of AR or VR.

30.3 Notwithstanding anything set out in Article 30.1 and 30.2, it is clarified that if the Existing Promoter Group Transfer the Securities by way of a Private Sale under Article 16.8 (Private Sale), the Existing Promoter Group shall collectively with the transferee (in accordance with their inter se agreement) be entitled to nominate and appoint 1 (one) person as a non-executive Director. Upon exercise of such right to nominate and appoint a Director by the Existing Promoter Group (and/ or its transferee) under this Article 30.3, the rights of the Existing Promoter Group under Article 30.1 and 30.2 shall cease to have effect.

30.4 Subject to the provisions of Article 30.1 and 30.2, in the event of a casual vacancy arising on the Board on account of the resignation of an Existing Promoter Group Director or otherwise for any reason, the Existing Promoter Group shall be entitled to nominate another person, in accordance with Applicable Law, to be appointed as an Existing Promoter Group Director to fill such vacancy.

30.5 The Existing Promoter Group shall procure that at the time of appointment of an Existing Promoter Group Director and for so long as an Existing Promoter Group Director continues to act as a Director, such Existing Promoter Group Director, shall not be a director, observer or employee of any Competitor. However, it is clarified that the restriction in this Article 30.5 shall:

a) continue to be applicable to any director nominated by a Person to whom the Existing Promoter Group Transfer the Securities by way of a Private Sale under Article 16.8 (Private Sale); and

b) not apply to appointment of AR and/ or VR as director(s) on the board of directors of Asianet, in addition to AR and/ or VR being appointed as Existing Promoter Group Director(s).

31 **GOVERNANCE OF THE COMPANY**

31.1 Each member of the Existing Promoter Group agrees that the Existing Promoter Group shall cease to be in Control of the Company, and the Existing Promoter Group acknowledge that the New Promoter Group will be and shall remain solely in absolute Control of the Company at all times including in relation to the following matters:

a) financial and operating policy decisions of the Company and the Subsidiaries;

b) appointment and removal of Key Managerial Personnel; and

c) exercising any rights that the Company has (whether in writing, through past practice or otherwise) in respect of any Group Companies, including in respect of GTPL and HBCDL).

31.2 The Existing Promoter Group acknowledge and agree that, upon the allotment of the Subscription Shares, the New Promoter Group shall have the right to appoint a majority of Directors on the Board in accordance with the provisions of Applicable Law.

31.3 The New Promoter Group and the Existing Promoter Group acknowledge and agree that the New Promoter Group and the Existing Promoter Group are not ‘persons acting in concert’ as prescribed under Applicable Law, and the execution of the Shareholders’ Agreement is not intended to create a relationship between the New Promoter Group and the Existing Promoter Group that may be construed to deem them to be ‘persons acting in concert’ under Applicable Law.

31.4 In the event the minimum public shareholding in the Company falls below the limits prescribed under Applicable Law, then the New Promoter Group or the Existing Promoter Group (as the case may be) responsible for such fall, shall take all necessary steps to ensure that the Company achieves compliance with such minimum public shareholding requirements in accordance with the provisions of Applicable Laws.

72 **TERM FOR THE SPECIAL RIGHTS OF THE NEW PROMOTER GROUPS**

72.1 Notwithstanding anything contained elsewhere in the Articles or the Shareholders’ Agreement, the Shareholders’ Agreement shall terminate, subject to Clause 12.2 of the Shareholders’ Agreement in its entirety:

a) automatically upon the Existing Promoter Group ceasing to hold at least 5% (five percent) of the Equity Shares of the Company; or

b) with the mutual agreement in writing between the Existing Promoter Group and the New Promoter Group.

4. **The following table shows the key deletions in the existing articles which do not form part of the altered articles.**

Existing Article Number	Existing Article	Altered Article
35.9	In the event any Director nominated by the Promoters resigns or is removed in accordance with this Article, the Promoters will have the right to elect such Director's successor or replacement and such successor or replacement Director shall be nominated and elected on or as soon as possible after the date of such resignation or removal.	NIL
46.8	A resolution shall be deemed to have been duly passed by the Board by circulation if the resolution has been circulated together with necessary papers, if any, to all the Directors or their alternates at their respective addresses provided for such purpose or by electronic means and has been approved by a majority of the Board members in accordance with the provisions of the Act.	Nil

Pursuant to Section 14 of the Companies Act, 2013 ("**Act**"), the consent of the members of the Company by way of a special resolution is required for adoption of altered Articles of Association of the Company. Accordingly, this matter has been proposed to the shareholders for approval. The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in the Notice above. A copy of the proposed altered Articles of Association of the Company would be available for inspection at the registered office of the Company situated at "Rahejas" Corner of Main Avenue and V.P. Road, Santacruz (West), Mumbai - 400054 upto the date of AGM of the Company.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution except to the extent of their shareholding in Company.

Item Nos. 4, 5 & 6:

Ms. Geeta Fulwadaya, Mr. Saurabh Sancheti and Mr. Anuj Jain were appointed as Non-Executive Directors by the Board of Directors w.e.f. 30th January, 2019 and 29th March, 2019 respectively in accordance with the provisions of Section 161 of the Companies Act, 2013 read with rules thereunder and in accordance with the Articles of Association of the Company to hold office up to the date of the ensuing AGM of the Company and for whom, the Company has received notices under Section 160 of the Act proposing the candidature of Ms. Geeta Fulwadaya, Mr. Saurabh Sancheti and Mr. Anuj Jain for the office of a Director of the Company and accordingly it is proposed to appoint them as Non-Executive Directors of the Company whose period of office will be liable to determination by retirement by rotation.

None of the Directors except Ms. Geeta Fulwadaya, Mr. Saurabh Sancheti and Mr. Anuj Jain, none of Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution nos. 4, 5 & 6.

Item No. 7:

The Board of the Directors of the Company as per the recommendation of the Audit Committee, has approved the appointment of M/s. Ashok Agarwal & Co., Cost Accountants, (Firm Registration No. 000510), as Cost Auditors, to conduct the audit of the cost records of the Company for the financial year 2019-20 and also approved the remuneration of ₹ 575,000/- (Rupees Five Lakh Seventy-Five Thousand only) to be paid to him.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company.

Accordingly, it is proposed to seek approval of the members by passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2019-20.

None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested financially or otherwise in the above resolution.

By Order of the Board

Ajay Singh
Head Corporate Legal,
Company Secretary &
Chief Compliance Officer
FCS NO: 5189

Place: Mumbai
Date: 15th April, 2019

Registered Office
Rahejas, 4th Floor,
Corner of Main Avenue & V. P. Road,
Santacruz West, Mumbai 400054
CIN: L64204MH1959PLC011421
Tel No. 022-26001306
Fax No. 022-26001307
Mail: info@hathway.net
website: www.hathway.com

Details of directors seeking re-appointment at the 59th Annual General Meeting

Name of Director	Mr. Akshay Raheja
Date of Birth	25/05/1982
Nationality	Indian
Date of Appointment on the Board	07/09/2001
Qualification	Commerce Graduate University of Mumbai, MBA from Columbia Business School -New York
Expertise in Specific Functional Area	Finance and Corporate Strategy
Number of shares held in the Company	121,413,000
Disclosure of relationships between directors inter-se	Mr. Akshay Raheja is brother of Mr. Viren Raheja – Non-Executive Director
Names of listed entities in which the director holds the directorship and the membership of the Committees of the Board	• **Listed entities in which the director holds the directorship** a. Hathway Cable and Datacom Limited b. EIH Associated Hotels Limited • **Listed entities in which the director holds the membership of the Committees of the Board** **a. Hathway Cable and Datacom Limited** Nomination and Remuneration Committee **b. EIH Associated Hotels Limited** Audit Committee

Details of Directors seeking appointment at the forthcoming Annual General Meeting [Regulation 36(3) of the Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2] are as under:

Name of Director	**Ms. Geeta Fulwadaya**	**Mr. Anuj Jain**	**Mr. Saurabh Sancheti**
Date of Birth	17.11.1979	06.03.1967	08.03.1985
Age in years	39	52	34
Nationality	Indian	United States	Indian
Date of first Appointment on the Board	30.01.2019	29.03.2019	29.03.2019
Qualifications	B.Com, Associate member of the Institute of Company Secretaries of India (ICSI) and law graduate from Government Law College.	B. Tech (AMU, India) MBA (CSU, San Jose, USA)	B. Tech (IIT Roorkee), PGDM (IIM Ahmedabad).
Expertise in Specific Functional Area	Extensive experience in the field of Corporate laws and allied matters	Over 27 years of experience in multiple sectors	Over 10 years of experience in multiple sectors
Number of shares held in the Company	Nil	Nil	Nil
List of the directorships held in other companies*	9	1	1
Chairman/ Member in the Committees of the Boards of companies in which he/ she is Director*	Nil	Nil	Nil
Terms and conditions of appointment, if any.	NA	NA	NA
Relationship, if any, with other Directors and Key Managerial Personnel	NA	NA	NA
No. of Board Meetings attended during the year	Nil	Nil	Nil
No. of Committee meetings attended during the year	Nil	Nil	Nil

*Directorships includes Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stake holders' Relationship Committee of Public Limited Company (whether Listed or not).

ROUTE MAP FROM VILE PARLE RAILWAY STATION TO ISKCON, JUHU

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 59th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2019.

1. COMPANY SPECIFIC INFORMATION

a. Financial Highlights:

Your Company's performance during the year ended 31st March, 2019 as compared to the previous financial year, is summarized as below:

(₹ in Crores)

	Standalone		Consolidated	
Particulars	**2018-19**	**2017-18**	**2018-19**	**2017-18**
Operating & Other Income	582.49	556.51	1619.20	1544.36
Earnings before interest, depreciation, amortization, exceptional item, share of profit of associates and JVs & taxes	245.97	236.98	369.69	345.37
Finance Cost	102.58	78.34	220.80	152.76
Depreciation & Amortization	115.92	97.19	352.41	334.70
Exceptional Items*	84.54	(16.21)	429.62	5.34
Share of profit/(loss) of associates and joint ventures	-	-	6.58	39.13
Provision for Taxation – MAT Credit, Current Tax, Deferred Tax & (Excess)/Short provision for taxation in earlier years**	(267.67)	-	(438.89)	(0.44)
Net Profit/(Loss)	210.60	77.66	(187.67)	(107.86)
Other Comprehensive Income/(Loss)	0.85	1.26	1.14	2.65
Total Comprehensive Income/(Loss)	211.45	78.92	(186.53)	(105.21)
Earning Per Share Basic and Diluted (in ₹)	2.08	0.94	(1.90)	(1.30)

Note: The above figures are extracted from the Audited Standalone and Consolidated Financial Statement as per Indian Accounting Standards (IND AS).

* In view of the New Regulatory Framework for Broadcasting and Cable services sector notified by the Telecom Regulatory Authority of India (TRAI), which has come into effect during the quarter resulting into changes in pricing mechanism and arrangements amongst the Company, LCOs and Broadcasters as well as equity infusion; the Management, based on a review, has provided for (a) impairment of trade receivables, advances & exposure to certain entities including JVs; (b) write down to the recoverable value of certain assets; (c) expenses relating to equity infusion. These adjustments, have one-time, non-routine material impact on financial statements, hence being disclosed as "Exceptional Item in Financial Results".

** The deferred tax assets recognised is mainly in respect of unabsorbed depreciation allowance available for set off for indefinite period in terms of applicable tax laws. Considering the revision in business plans and growth strategy of the Group, pursuant to fresh infusion of equity capital and implementation of New Tariff Order; the Management is reasonably certain of future taxable income and hence recovery of such deferred tax assets.

Income – Standalone and Consolidated

During the year under review, the total income of your Company was ₹ 582.49 crores on a standalone basis and ₹ 1619.20 crores on a consolidated basis as compared to the previous financial year's total income of ₹ 556.51 crores on a standalone basis and ₹ 1544.36 crores on a consolidated basis.

Profits – Standalone and Consolidated

For the financial year under review, the Company has earned Net Profit of ₹ 210.60 crores on a standalone basis reflecting a significant growth of 171% as against Net Profit of ₹ 77.66 crores in the previous financial year. During the year under review, the Net Loss of the Company on a consolidated basis was ₹ 187.67 crores compared to ₹ 107.86 crores in previous financial year.

b. Transfer to reserves:

During the financial year under review, the Board of Directors of Company have not recommended transfer of any amount to reserves.

c. Dividend:

Your directors have not recommended any dividend for the financial year under review. The Company's Dividend Distribution Policy can be accessed through web link http://www.hathway.com/About/Policies

d. General Review and State of Company Affairs:

The Company is one of India's leading Cable Broadband service provider and also provides Cable Television Services through its subsidiaries particularly through its wholly owned subsidiary – Hathway Digital Private Limited.

Broadband Business:

The new upgraded technology DOCSIS 3.1, advent of GPON Fiber to the home, delighted customers with enhanced data limits and efficient customer services have helped your Company reach 4th position in the cable wireline broadband business. (Source TRAI- The Indian Telecom Services Performance Indicators - Jan 2019).

India has around 18.27 Mn wireline broadband subscribers as on 31st January, 2019 (As per revised definition i.e. a Broadband customer is a customer having minimum speed of 512 kbps). Comparing the trend on year on year basis, the wireline broadband number has added by 0.31 Mn subscribers (March 2018, 17.96 Mn) [Source-TRAI report January 2019]. Customers increasingly prefer wireline broadband as it allows online media consumption and seamless accessibility of data to multiple devices while at home.

During the year under review, the Broadband business revenue stood at ₹ 527.63 crores and the subscribers stood at 0.81 Mn (Previous Years' Broadband business revenue stood at ₹ 544.54 crores and subscribers stood at 0.80 Mn).

With deployment of GPON FTTH and Parallel network in High Potential High Penetrated DOCSIS home passes, the Company saw opportunity to increase market share by offering 200 mbps – 500 mbps speed to premium consumers, which resulted in increase of minimum data limits across country to 200 GB/consumer/month.

Your Company continues to bring in new technology for superior consumer experience. One of the initiatives taken is Hathway Play Box based on android platform which will provide world class large screen OTT viewing experience to our privileged customers. Hathway Play box also allows consumers to experience Android gaming on big screen including multiple users having gaming fun on same screen. It also provides consumers a smarter way to watch all Google Play content on a big screen. These initiatives help to increase customer sticky-ness and to retain customers for longer duration.

The Company has appointed TCS as System Integrator to automate various process and improve the Quality of Services. IT and Other Initiatives have helped the Company in cost optimization and provide system driven services.

The average bandwidth consumption (Mbps) per subscriber is 0.77. The average data usage per costumer per month has now reached 113 GB which shows customers preference of watching online media and reflects the binge-watching culture of users.

Cable Television Business:

During the year, TRAI implemented the New Tariff Order (NTO) from 1st February, 2019. The NTO is set to dramatically change the distribution landscape in India. It will bring in far greater transparency and overall it will be good for all stakeholders, leading to fair share allocation of subscription revenues within the stakeholders.

Some of the key features for the NTO are as below:

- Every broadcaster is required to declare the maximum retail price (MRP) of its pay channels on a-la-carte basis. However, such MRP shall be uniform for all types of addressable systems.
- Every Broadcaster must declare a distribution fee at a minimum of 20% of the MRP of pay channel or bouquet of pay channels which can be upto 35%.
- In addition to the distribution fee, Broadcasters may offer discounts to distributors which cannot exceed 15% of the MRP of pay channels or bouquet of pay channels. However, in no case, the sum of distribution fee declared by a broadcaster and discounts offered can exceed 35% of the MRP of pay channel or bouquet of pay channels, as the case may be.
- Every broadcaster should publish, on its website, the Reference Interconnection Offer (RIO) containing the information such as MRP of its pay channels and bouquet of pay channels, distribution fee, discounts etc.

- Every broadcaster is required to enter into written interconnection agreements on the basis of the RIO published by it for providing signals of pay channels to a distributor of television channels.

- Similarly, every distributor of television channels is required to publish RIO on its website for carrying a channel on its distribution network. Such RIO must necessarily contain the information such as target market, rate of carriage fee, manner of calculation of carriage fee etc.

- The rate of carriage fee has been capped at Re. 0.20 per Standard Definition channel and Re. 0.40 per High Definition Channel. The manner of carriage calculation is as prescribed in the regulations. The distributor can offer a discount on the carriage fee. However, such discount cannot be more than 35%.

- Every distributor is required to enter into written agreement, on the basis of its published RIO, with the broadcaster for carrying television channels in respect of which the request has been received from such broadcasters.

- Any other kind of fee for a channel such as marketing fee, placement fee etc. between two service providers should be made part of interconnection agreement and reported to the Authority.

- It is mandatory for MSOs to enter into a written agreement with LCOs before providing the signals. Such interconnection agreement must comply with the standard provisions as per the Model Interconnection Agreement (MIA)/ Standard Interconnection Agreement(SIA) as prescribed by the Authority.

Hathway's Cable Television business has seen significant growth in subscription revenue by 14%, led by increase in monetization of Phase III and IV.

Your Company has successfully implemented DPO packs for all regions. Packaging is based on the extensive consumer research and focused group interviews with the customers along with input from Local Cable Operators.

In view of the NTO, the relationship between the stakeholders has improved, which helped us to drive the NTO implementation across PAN India.

Your Company launched India's first Cable Hybrid box "Hathway Ultra Smart HUB" on the android TV platform to create unique TV viewing experience for Indian consumers. The Ultra Smart TV Hub simplifies the user experience for our customers that increasingly combine their linear TV viewing with on-demand and streaming services. The user can select and download more than 2,000 apps from Google Play, including play services, games and music.

e. Material Changes and commitments, if any, affecting the financial position of the Company:

Preferential Allotment

a. During the year, the Company made Preferential allotment of 30,800,000 Equity Shares at ₹ 32.35 per share amounting to ₹ 996,380,000 to Hathway Investments Private Limited – an entity belonging to Existing Promoter Group (i.e. Mr. Viren Raheja, Mr. Akshay Raheja, Hathway Investments Private Limited, Spur Cable and Datacom Private Limited).

b. During the year, Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited and Jio Cable and Broadband Holdings Private Limited, (Acquirers) entered into a Share Subscription Agreement dated 17th October, 2018 ("SSA"), with the Company and Mr. Akshay Raheja, Mr. Viren Raheja, Hathway Investments Private Limited, Spur Cable and Datacom Private Limited (Existing Promoter Group) to subscribe to 51.34% of the post allotment share capital of the Company. Pursuant to the agreement, the Company made an allotment of 908,810,000 Equity Shares of the Company on 30th January, 2019 to the Acquirers, at a price of ₹ 32.35/- (including premium of ₹ 30.35/-per Equity Share aggregating to ₹ 29,400,003,500/- on a preferential basis, as given below:

Sr. No.	Particulars of Allotees	Shares
1	Jio Content Distribution Holdings Private Limited	534,698,609
2	Jio Internet Distribution Holdings Private Limited	214,296,755
3	Jio Cable and Broadband Holdings Private Limited	159,814,636
Total		**908,810,000**

Pursuant to the aforesaid preferential allotment, the Acquirers have acquired sole control of the Company and the Acquirers and the Persons Acting in Concert (PAC) namely Reliance Industries Limited, Digital Media Distribution Trust, Reliance Content Distribution Limited and Reliance Industrial Investments and Holdings Limited have become part of the 'Promoter and Promoter Group' of the Company.

Open Offer

Further, on 26th February, 2019, the Acquirers acquired an aggregate of 364,891,215 equity shares representing 20.61% of the total paid-up equity share capital of the Company pursuant to an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Accordingly, as at 31st March, 2019, the aggregate holding of the Acquirers in the Company stood at 1,273,701,215 equity shares of the Company representing 71.96% of the total paid-up equity share capital of the Company.

Employee Stock Option Plan 2018

During the year under review, the Company obtained the approval for "Hathway Employee Stock Option Plan 2018" from the shareholders of the Company to introduce, offer, issue and allot employee stock options exercisable into not exceeding 11,000,000 equity shares of the Company, having face value of ₹ 2/- (Rupees Two only) each at a price as may be determined in accordance with the terms and conditions envisaged under the "Hathway Employee Stock Option Plan 2018".

2. CAPITAL AND DEBT STRUCTURE

During the year under review, the Company raised the funds by creating, issuing, offering and allotting on preferential basis to the following allotees:

Sr. No.	Date of Allotment	Name of the Allottee	Number of equity shares	Issue Price	Amount (in ₹)
1.	29/08/2018	Hathway Investments Private Limited	30,800,000	32.35*	996,380,000
2.	30/01/2019	Jio Content Distribution Holdings Private Limited	534,698,609	32.35*	17,297,500,001
3.	30/01/2019	Jio Internet Distribution Holdings Private Limited	214,296,755	32.35*	6,932,500,024
4.	30/01/2019	Jio Cable and Broadband Holdings Private Limited	159,814,636	32.35*	5,170,003,475
TOTAL			**939,610,000**		**30,396,383,500**

* Includes premium of ₹ 30.35

During the year under review, the Company also increased its Authorised Share Capital from ₹ 2,000.000,000/- (Rupees Two Hundred Crores Only) divided into 999,000,000 (Ninety-Nine Crores and Ninety Lakhs) Equity Shares of ₹ 2/- (Rupees Two) each and 200,000 (Two Lakhs) Preference Shares of ₹ 10/- (Rupees Ten) each to ₹ 4,000,000,000/- (Rupees Four Hundred Crores Only) divided into 1,999,000,000 (One Hundred and Ninety-Nine Crores and Ninety Lakhs) Equity Shares of ₹ 2/- (Rupees Two) each and 200,000 (Two Lakhs) Preference Shares of ₹ 10/- (Rupees Ten) each.

3. CREDIT RATING OF SECURITIES

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

1) IND A- (Long term)/ RWP (Rating Watch Positive)

2) IND A2+ (Short term)/ RWP (Rating Watch Positive)

4. MANAGEMENT

a. Board of Directors and Key Managerial Personnel:

Mr. Rajan Gupta was appointed as the Managing Director of the Company on 25th November, 2016 for a term of 2 (two) years which expired on 24th November, 2018. Considering the experience in the industry and growth of the Company under his leadership, the shareholders of the Company re-appointed him as Managing Director (Key Managerial Personnel) of the Company for a further period of 3 (three) years from 25th November, 2018 till 24th November, 2021 through postal ballot.

In accordance with the SSA dated 17th October, 2018 entered into between the Company, Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited, Jio Cable and Broadband Holdings Private Limited and Existing Promoter Group, Mr. Rajan Raheja and Mr. Vinayak Aggarwal resigned as Directors from the Board of Directors of the Company on 30th January, 2019. The Board places on record its appreciation for the valuable services rendered by the said Directors during their respective tenure as Directors of the Company.

In accordance with Shareholders Agreement dated 17th October, 2018 entered into between the

Company, Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited, Jio Cable and Broadband Holdings Private Limited and Existing Promoter Group, Ms. Geeta Fulwadaya (DIN:03341926) was appointed as Additional Non-Executive Director of the Company on 30th January, 2019 and Mr. Saurabh Sancheti (DIN: 08349457) and Mr. Anuj Jain (DIN: 08351295) were appointed as Additional Non-Executive Directors of the Company on 29th March, 2019.

Mr. Sitendu Nagchaudhuri was appointed as Chief Financial Officer (Key Managerial Personnel) of the Company on 2nd July, 2018 as a successor to Mr. Vineet Garg who resigned on 15th May, 2018.

As per the provisions of Section 152 of the Companies Act, 2013 ("the Act"), Mr. Akshay Raheja (DIN: 00288397) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors have recommended his re-appointment.

Ms. Geeta Fulwadaya (DIN:03341926), Mr. Saurabh Sancheti (DIN: 08349457) and Mr. Anuj Jain (DIN: 08351295) who were appointed as Additional Non-Executive Directors of the Company to hold office up to the date of the next Annual General Meeting of the Company, being eligible offered themselves for appointment as Non-Executive Directors of the Company. The Board of Directors has recommended their appointment.

In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

b. Declaration by independent directors:

Your Company has received declarations from all the Independent Directors under Section 149(6) of the Act confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulations.

c. Code of Conduct for Directors and Senior Management Personnel:

The Company has formulated and adopted the Code of Conduct for Directors, Key Managerial Personnel and Senior Management as per the provisions of the SEBI Listing Regulations and the Act. The Directors, Key Managerial Personnel and Senior Management have affirmed compliance with the Code of Conduct laid down by the Company.

d. Board Meetings:

The Board of Directors of the Company met 9 (nine) times during the year under review. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

e. Committees:

Details of Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee constituted by the Board of Directors of the Company under the Act and Listing Regulations are given in the Corporate Governance Report which forms part of this Report. The details of the Committee meetings and the attendance of the member of the Committees are provided in the Corporate Governance Report which forms part of this Report.

Details of other Committees constituted by the Board of Directors of the Company under the Act and Listing Regulations are given below:

Corporate Social Responsibility Committee:

As per the provisions of Section 135 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Act, the Board of Directors have constituted Corporate Social Responsibility Committee. The composition of Corporate Social Responsibility Committee is as under:

Committee Members	Designation
Mr. Devendra Shrotri	Chairman
Mr. Rajan Gupta	Member
Mr. Sridhar Gorthi*	Member

*Owing to the resignation of Mr. Vinayak Aggarwal from the Board of Directors of the Company, Mr. Sridhar Gorthi was appointed as member of the Committee with effect from 30th January, 2019.

During the year, one meeting was held on 14th May, 2018.

Corporate Social Responsibility Policy:

During the year under review, the Company was not required to spend any amount for activities under Corporate Social Responsibility in terms of section 135 read with Schedule VII of the Act.

The Corporate Social Responsibility Policy of the Company is available on the Company's website and can be accessed in the link provided herein below:

http://www.hathway.com/assets/InvFile/HCDL_CSR_Policy.pdf

Business Responsibility Committee:

The composition of Business Responsibility Committee is as under:

Committee Members	Designation
Mr. Rajan Gupta*	Chairman
Mr. Viren Raheja	Member

*Owing to the resignation of Mr. Vinayak Aggarwal from the Board of Directors of the Company, Mr. Rajan Gupta, a member of the CSR committee, was appointed as Chairman of the Committee with effect from 30th January, 2019.

During the year, one meeting of the Committee was held on 14th May, 2018.

Business Responsibility Report:

As stated under Regulation 34(2)(f) of SEBI (LODR), your Company has published the Business Responsibility Report on its website which can be accessed through web link http://www.hathway.com/About/AnnualReport

f. Company's Policy on Directors' appointment and remuneration:

The Company's policy on Directors' appointment and remuneration is given in the Corporate Governance Report which forms part of this Report.

g. Board Evaluation

The Company has devised a Policy for performance evaluation of the Board, Committees and other Individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-Executive Directors and Executive Director. The evaluation process inter alia considers attendance of Directors at Board and Committee meetings, acquaintance with business, communication inter-se board members, effective participation, compliance with code of conduct, etc. which is in compliance with applicable laws, regulations and guidelines.

Pursuant to the provisions of the Act and Listing Regulations, the Directors have carried out an annual performance evaluation of Board, Independent Directors, Non-Executive Directors, Executive Director, Committees and Chairman of the Board.

This exercise was carried out through structured evaluation process covering various aspects of the Board such as composition of the Board/Committees, experience, competencies, performance of specific duties etc. Separate exercise was carried out to evaluate the performance of individual directors including the Chairman in accordance with Nomination and Remuneration Policy and was found to be satisfactory.

h. Particulars of employees and related disclosures:

In terms of the provisions of Section 197 (12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided as **Annexure - I**.

Disclosures relating to remuneration and other details as required under section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 are provided in the said annexure.

i. Director's responsibility statement:

In terms of Section 134(5) of the Act, in relation to the audited financial statements of the Company for the year ended 31st March, 2019, the Board of Directors of the Company hereby state that:

a. In the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures;

b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at end of the financial year and the profit and loss of the Company for that period;

c. They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. They have prepared the Annual Accounts of the Company on a going concern basis;

e. They have laid down internal financial controls, which are adequate and are operating effectively; and

f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

j. **Disclosure of Internal Financial Controls:**

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

The Management Audit Team had conducted a review and evaluated the design, adequacy and operating effectiveness of the Internal Financial Controls of the Company. Management testing has been conducted on a sample basis for Revenue, Expenses and Payables, Fixed Assets, Inventory, Compliance, Related Party, Borrowings, Consolidation, Contingent Liability, Loans and Advances, Cash Management, Current Investment, Forex Exposure and Hedging, Finalization, Retirement Benefits and remedial action has been taken or agreed upon with a finite closure date where control weaknesses were identified.

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

5. **DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

a. **Report on performance of subsidiary companies, associate companies and joint ventures:**

A statement containing the performance and financial position of each of the subsidiaries, associates and joint ventures for the financial year ended 31st March, 2019 is given pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014 (including any subsequent amendment thereof) in AOC-1 in **Annexure - II** to this Report.

During the year, there has been no change in any of its subsidiary companies, associates or joint ventures.

Hathway Digital Private Limited is a material subsidiary of the Company as per the Listing Regulations.

The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during the business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting as required under Section 136 of the Act. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company.

6. **PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES**

As per Section 186 (11)(a) read with Schedule VI of the Act, the Company qualifies to be the Company providing infrastructural facilities and is exempted from the applicability of Section 186 except for sub-section (1) of section 186 of the Act. Accordingly, disclosure of details with respect to investment made, loan given, guarantee given and security made during the financial year 2018-19 in terms of Section 186(4) of the Act is not applicable.

7. **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. During the year the Company had not entered into any transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions and in terms of Section 188 of the Act and Listing Regulations.

The policy on Related Party Transactions as approved by the Board may be accessed on the Company's website at http://www.hathway.com/About/Policies

8. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as required under the provisions of Section 134(3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure - III** which forms part of this Report.

9. **RISK MANAGEMENT**

The Board of Directors of the Company have designed Risk Management Policy and guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses and define a structured approach to manage uncertainty and to make use of these in their decision-making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

10. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The Board of Directors of the Company have pursuant to the provisions of Section 178(9) read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 of the Act, framed "Vigil Mechanism Policy" for directors and employees of the Company. The said policy provides a mechanism which ensures adequate safeguard to employees and directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. This Policy is available on the Company's website at www.hathway.com

The employees of the Company have the right/option to report their concern/ grievance to the Chairman of the Audit Committee.

Your Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

11. MATERIAL ORDERS OF JUDICIAL BODIES/ REGULATORS

There were no significant or material orders passed by the Regulators/Courts/Tribunals/Statutory and quasi-judicial body which impact the going concern status and Company's operations in future.

12. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. Observations of Statutory Auditors on Accounts for the year ended 31st March, 2019:

The report of Statutory Auditors on accounts for the year ended 31st March, 2019 forms part of the financial statement. The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2019 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board of Directors under Section 134(3) of the Act.

b. Secretarial audit report for the year ended 31st March, 2019:

M/s. Rathi and Associates, Company Secretaries had been appointed to conduct the Secretarial Audit and to issue Secretarial Audit Report for the financial year 2018-19.

Secretarial Audit Report issued for the financial year 2018-19 forms part of this Report and the same is attached as **Annexure - IV**. The said Report does not contain any qualification, reservation, adverse remark or disclaimer.

c. Cost Auditors:

On the recommendation of the Audit Committee, the Board of Directors have appointed M/s. Ashok Agarwal & Co, Cost Accountants, as the Cost Auditors of the Company for the financial year 2019-20. The Cost Audit Report will be filed within the stipulated period of 180 days from the closure of the financial year.

13. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Board of Directors of the Company have complied with Secretarial Standards 1 and 2 relating to 'Meetings of the Board of Directors' and 'General Meetings, respectively and has voluntarily adopted Secretarial Standard 4 relating to 'Board's Report' to a reasonable extent possible.

14. ANNUAL RETURN

As required under the 134(3)(a) of the Act, the Annual Return placed on the website of the Company may be accessed on the Company's website at http://www.hathway.com/About/AnnualReport.

15. OTHER DISCLOSURES

OTHER DISCLOSURES AS PER PROVISIONS OF SECTION 134 OF THE ACT READ WITH COMPANIES (ACCOUNTS) RULES, 2014 ARE FURNISHED AS UNDER

Corporate Governance: (Applicable to Companies giving remuneration as per Section II of Schedule V):

Particulars	Rajan Gupta
All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors **(Applicable only in case of Managing Director)**	₹ 26,840,521*
Details of fixed component and performance linked incentives along with the performance criteria	Fixed: ₹ 22,374,521 * Variable: ₹ 4,466,000
Service contracts, notice period, severance fees	-
Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Mr. Rajan Gupta will be granted 5,360,000 ESOPs at a price of ₹ 19 per option under the Employee Stock Option Plan 2018, upon exercise of which he will be entitled to 5,360,000 equity shares in the Company. The ESOPs granted to the MD shall vest upon completion of his 3-year term (Vesting Date). He would be entitled to exercise the ESOPs within a period of 135 days of the Vesting Date.

*Includes provident fund of ₹ 760,320/-

16. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of provisions of Regulation 34 of SEBI (LODR), the Management Discussion and Analysis is set out in the Annual Report of the Company.

17. DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no cases/complaints filed during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, the Company has constituted an Internal Complaints Committee as required under the said Act.

18. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
3. Issue of sweat equity shares to employees of the Company as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
4. Issue of equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.
5. Instances of exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
6. Issue of debentures/bonds/warrants/any other convertible securities.
7. Instances of transferring the funds to the Investor Education and Protection Fund.
8. Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director of the Company.

9. Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.

10. There were no frauds reported by the auditor of the Company pursuant to sub-section 12 of section 143 of the Act.

11. Statement of deviation or variation in connection with preferential issue.

19. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/ associates, financial institutions, Regulatory bodies and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board

Rajan Gupta	**Viren Raheja**
Managing Director	Director
DIN 07603128	DIN 00037592

Place: Mumbai
Date: 15th April, 2019

Registered Office
Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road,
Santacruz West, Mumbai 400054
CIN: L64204MH1959PLC011421
Tel No. 022-26001306 Fax No. 022-26001307
Mail: info@hathway.net
website: www.hathway.com

ANNEXURE I

DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

Median Remuneration: ₹ 839,700/-

Except Managing Director, no other director has been paid any remuneration. Remuneration paid to Mr. Rajan Gupta, Managing Director of the Company for the year ended 31st March, 2019 is ₹ 26,840,521/-

The percentage increase in the median remuneration of employees in the financial year: 17.44

The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name of the Director*/KMP & their Designation	Remuneration of Director/ KMP for financial year 2018-19 (Amount in ₹)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Rajan Gupta Managing Director	26,840,521	22.47%	27.44
2.	Mr. Sitendu Nagchaudhuri Chief Financial Officer	11,797,954	-	--
3.	Mr. Ajay Singh Head Corporate Legal, Company Secretary and Chief Compliance Officer	7,964,993	14.73%	--

Note: *Remuneration is paid only to Managing Director and not to other directors of the Company.

There were 387 permanent employees on the rolls of the Company.

The remuneration paid to Managing Director is as per the Nomination and Remuneration Policy of the Company and the remuneration paid to the employees of the Company is as per the Company's Human Resource Policy.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is 83.

The percentile increase in managerial remuneration in the last financial year is also 50.

STATEMENT PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016:

A. List of top 10 employees of the Company in terms of remuneration drawn and employees who drew remuneration during the financial year not less than ₹ 1.02 Crores per annum:

Sr. No.	Name	Designation	Date of Joining	Remuneration (in ₹)	Age (years)	Experience (Years)	Qualification	Last employment and designation held
1.	Mr. Rajan Gupta	Managing Director	01-07-2014*	26,840,521	45	19	MBA, BE (Civil)	Tata Teleservices Limited-Chief Operating Officer
2.	Mr. Sitendu Nagchaudhuri	Chief Financial Officer	02-07-2018	11,797,954	50	28	Chartered Accountant	Navin Fluorine International Limited-Chief Financial Officer
3.	Mr. Dulal Banerjee	Financial Controller & Chief Commercial Officer	01-11-1999	10,794,330	48	23	B.Com (Hons.), M.Com, ICWA (Inter)	IndusInd Media & Communications Limited-Senior Executive

*He joined as President-ISP on 1st July, 2014 and was re-appointed as Managing Director of the Company on 25th November, 2018.

CORPORATE OVERVIEW
NOTICE
DIRECTORS' REPORT
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT ON CORPORATE GOVERNANCE
STANDALONE FINANCIAL STATEMENTS
CONSOLIDATED FINANCIAL STATEMENTS

1. The contractual terms of Mr. Rajan Gupta are governed by the resolution passed by the shareholders through postal ballot on 4th October, 2018.
2. The employee mentioned above is not related to any of the Directors of the Company within the meaning of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules,2016.
3. None of the employees of the Company, who were employed throughout the financial year 2018-19, were in receipt of remuneration in excess of that drawn by the managing director and hold by themselves or along with their spouse and dependent children, not less than two percent of the equity shares of the Company.
4. Except Mr. Rajan Gupta, none of the employees' employment is contractual in nature.
5. Remuneration of managerial personnel as per Schedule V of the Companies Act, 2013 includes salary, bonus, performance linked incentive, commission, various allowance, contribution to provident fund and superannuation fund and taxable value of perquisites but excluding provision for gratuity and leave encashment.

B. Employees employed for the part of the year and drew remuneration during the financial year 2018-19 at a rate which in aggregate was not less than ₹ 8.50 Lakhs per month: N.A.

Sr. No.	Name	Designation	Date of Joining	Remuneration (in ₹)	Age (years)	Experience (Years)	Qualification	Last employment and designation held

C. Names of top ten employees of the Company in terms of remuneration drawn:

Sr. No.	Name	Remuneration Drawn (in ₹)
1	Mr. Rajan Gupta	26,840,521
2	Mr. Sitendu Nagchaudhauri	11,797,954
3	Mr. Dulal Banerjee	10,794,330
4	Mr. Ruzbeh Jaorewalla	9,290,558
5	Mr. Nagakishore Sure	9,164,605
6	Mr. Vivekanand Tripathi	8,896,674
7	Mr. Ajay Singh	7,964,993
8	Mr. Sarathy Kovil Kandadai	7,473,715
9	Mr. Rajesh Bhaskaran	6,524,000
10	Mr. Santanu Banerjee*	6,379,820

* Resigned during the year.

For and on behalf of the Board

Rajan Gupta
Managing Director
DIN 07603128

Viren Raheja
Director
DIN 00037592

Place: Mumbai
Date: 15th April, 2019

Registered Office
Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road,
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Tel No. 022-26001306 Fax No. 022-26001307
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website: www.hathway.com

ANNEXURE - II

AOC - I

Part - A

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

Reporting period : 01/04/2018 to 31/03/2019 & Reporting Currency in INR

(₹ In Crores unless Otherwise Stated)

Sr. No.	Name of the Subsidiary	Note	Date of Acquisition	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	%of Shareholding
1	Channels India Network Private Limited		20/04/1995	0.09	(1.41)	0.02	1.34	-	0.00	-	-	-	N.A	95.63
2	Vision India Network Private Limited		07/04/1998	0.09	(2.15)	0.01	2.07	-	0.00	-	-	-	N.A	100.00
3	Liberty Media Vision Private Limited		07/04/1998	0.01	(2.28)	0.07	2.34	-	0.01	0.00	-	0.00	N.A	100.00
4	Ideal Cables Private Limited		07/04/1998	0.08	(0.86)	0.00	0.78	-	0.00	(0.00)	-	(0.00)	N.A	100.00
5	Hathway Channel 5 Cable & Datacom Private Limited		07/04/1998	0.49	(0.15)	4.16	3.83	-	0.00	(0.02)	-	(0.02)	N.A	51.00
6	Bee Network & Communication Private Limited		07/04/1998	0.10	(1.44)	-	1.34	-	0.00	-	-	-	N.A	100.00
7	Elite Cable Network Private Limited		07/04/1998	0.06	(0.08)	-	0.02	-	0.00	-	-	-	N.A	80.00
8	Binary Technology Transfers Private Limited		07/04/1998	0.01	(1.65)	0.00	1.64	-	-	-	0.00	(0.00)	N.A	100.00
9	Hathway Media Vision Private Limited		13/08/1998	0.07	(0.14)	5.10	5.18	1.85	-	(0.00)	-	(0.00)	N.A	100.00
10	UTN Cable Communication Private Limited		31/05/1999	0.76	(22.85)	6.34	28.43	-	7.77	(6.92)	-	(6.92)	N.A	100.00
11	ITV Interactive Media Private Limited		09/09/1999	0.08	(0.50)	0.03	0.45	-	0.00	-	-	-	N.A	100.00
12	Chennai Cable Vision Network Private Limited		30/09/1999	0.18	(2.18)	0.00	2.00	-	0.00	-	-	-	N.A	75.99
13	Win Cable and Datacom Private Limited		15/03/2000	0.20	(19.90)	0.52	20.22	-	0.00	(0.00)	-	(0.00)	N.A	100.00
14	Hathway Space Vision Cabletel Private Limited		15/03/2000	0.01	(1.05)	0.00	1.04	-	0.00	-	-	-	N.A	100.00
15	Hathway Software Developers Private Limited		21/03/2000	0.76	(13.36)	10.49	23.09	0.00	4.92	(5.63)	-	(5.63)	N.A	100.00
16	Hathway Nashik Cable Network Private Limited		17/06/2000	0.05	(10.45)	0.00	10.40	-	0.00	(0.03)	-	(0.03)	N.A	90.06
17	Hathway Cnet Private Limited		27/07/2000	0.10	(0.53)	0.02	0.45	-	0.00	0.00	-	0.00	N.A	100.00
18	Hathway United Cables Private Limited		01/12/2000	0.01	(0.17)	0.02	0.18	0.00	0.00	(0.00)	-	(0.00)	N.A	100.00
19	Hathway Internet Satellite Private Limited		01/01/2001	0.01	(1.64)	0.00	1.63	-	-	(0.00)	0.00	(0.00)	N.A	100.00
20	Hathway Krishna Cable Private Limited		22/07/2002	7.81	(21.69)	7.37	21.25	0.00	10.01	(6.89)	-	(6.89)	N.A	100.00
21	Hathway Mysore Cable Network Private Limited		29/11/2003	1.04	(20.42)	4.16	23.53	0.00	4.56	(5.61)	-	(5.61)	N.A	100.00
22	Hathway Prime Cable & Datacom Private Limited		03/02/2006	0.45	(0.52)	0.23	0.31	-	0.00	(0.00)	-	(0.00)	N.A	51.00
23	Hathway Gwalior Cable & Datacom Private Limited		01/05/2007	0.01	(0.59)	0.05	0.63	-	-	(0.00)	-	(0.00)	N.A	100.00
24	Hathway Digital Saharanpur Cable & Datacom Private Limited		01/03/2008	0.02	(4.26)	0.53	4.77	-	0.03	(0.07)	-	(0.07)	N.A	51.00
25	Hathway Enjoy Cable Network Private Limited		07/06/2007	0.01	(0.00)	0.01	0.01	-	0.00	-	-	-	N.A	100.00
26	Hathway JMD Farukhabad Cable Network Private Limited		01/05/2007	0.01	(0.01)	0.01	0.00	-	0.00	-	-	-	N.A	100.00
27	Hathway Kokan Crystal Cable Network Private Limited		01/11/2011	0.15	(1.34)	5.26	6.45	-	2.58	(3.24)	(0.70)	(2.54)	N.A	96.36

Sr. No.	Name of the Subsidiary	Note	Date of Acquisition	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	%of Shareholding
28	Hathway Latur MCN Cable & Datacom Private Limited		15/01/2008	0.10	0.08	2.24	2.07	-	4.42	0.05	0.18	(0.13)	N.A	51.00
29	Hathway MCN Private Limited		01/06/2007	1.89	3.43	13.77	8.45	0.41	17.67	(0.94)	0.65	(1.60)	N.A	51.00
30	Hathway Sonali OM Crystal Cable Private Limited		01/06/2008	0.10	(13.10)	3.03	16.03	-	2.11	1.67	-	1.67	N.A	68.00
31	Hathway ICE Television Private Limited		15/10/2007	0.20	(0.81)	1.04	1.65	-	-	(0.00)	-	(0.00)	N.A	51.00
32	Hathway Digital Private Limited		31/12/2007	355.73	(565.33)	1,363.24	1,572.85	13.96	1,037.30	(545.83)	(170.57)	(375.26)	N.A	100.00
33	Net 9 Online Hathway Private Limited	4	01/03/2008	0.01	2.08	3.74	1.65	-	7.32	0.14	0.03	0.11	N.A	50.00
34	Hathway New Concept Cable & Datacom Private Limited		01/09/2008	0.15	(0.99)	11.07	11.91	-	4.88	(0.73)	-	(0.73)	N.A	100.00
35	Hathway Sai Star Cable & Datacom Private Limited		01/09/2008	0.14	33.72	42.93	9.07	-	20.15	(3.61)	-	(3.61)	N.A	51.00
36	Hathway Cable MCN Nanded Private Limited	3	17/06/2008	3.36	(2.95)	3.21	2.80	-	5.56	0.64	0.67	(0.03)	N.A	45.05
37	Hathway Palampur Cable Network Private Limited		01/04/2008	0.03	0.31	1.36	1.01	-	0.00	(0.12)	-	(0.12)	N.A	51.00
38	Hathway Mantra Cable & Datacom Private Limited		30/08/2008	0.01	(18.72)	9.31	28.02	-	15.62	(5.95)	-	(5.95)	N.A	100.00
39	Hathway Dattatray Cable Network Private Limited		13/05/2009	0.04	(6.31)	4.46	10.73	-	11.03	(0.14)	-	(0.14)	N.A	51.00
40	Hathway CBN Multinet Private Limited	1	01/07/2008	0.05	0.21	5.16	4.90	-	4.47	0.21	(0.01)	0.21	N.A	51.00
41	Hathway CCN Multinet Private Limited	1	01/07/2008	0.48	2.28	8.63	5.87	-	7.04	(1.14)	(0.53)	(0.61)	N.A	51.00
42	Hathway CCN Entertainment (India) Private Limited	1	01/07/2008	0.50	0.54	5.30	4.27	-	6.00	(2.09)	(0.01)	(2.09)	N.A	51.00
43	Hathway Bhaskar CCN Multi Entertainment Private Limited	1	29/09/2011	0.01	0.01	0.88	0.86	-	0.05	(0.28)	0.03	(0.31)	N.A	70.00
44	Hathway Bhawani Cabletel & Datacom Limited	2	31/08/2009	8.10	(11.95)	3.38	7.23	0.41	4.90	0.06	-	0.06	N.A	51.60
45	Hathway Bhawani NDS Network Private Limited	5	13/10/2010	1.55	(0.94)	0.76	0.15	0.01	1.15	(0.10)	(0.03)	(0.07)	N.A	26.32
46	Hathway Broadband Private Limited		15/10/2014	2.50	0.69	3.20	0.01	-	0.25	0.24	0.06	0.18	N.A	100.00

Notes:

1 Held through subsidiary Hathway Digital Private Limited (Formerly known as Hathway Datacom Central Private Limited)

2 Partly held directly by Hathway Cable and Datacom Limited and partly through its subsidiary Hathway Media Vision Private Limited

3 Held through its subsidiary Hathway MCN Private Limited and has control over the Board of Directors.

4 Subsidiary based on our Company's right to appoint majority of directors on the board of the Subsidiary Company.

5 Held through subsidiary Hathway Bhawani Cabletel & Datacom Limited

6 Definition of Subsidiary, Associate and JV has been considered as per Companies Act,2013. However some subsidiaries have been considered as Joint Venture as per definition given under Indian Accounting Standards.

PART - B:

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

(₹ In Crores unless otherwise stated)

Sr. No.	Name of Associates/Joint Ventures	GTPL Hathway Limited (f.k.a GTPL Hathway Private Limited)	Pan Cable Services Private Limited	Hathway VCN Cablenet Private Limited	Hathway SS Cable & Datacom LLP
1	Latest Audited Balance Sheet	31 March 2019	31 March 2019	31 March 2019	31 March 2019
2	Date of Acquisition	12 October 2007	10 May 1995	18 March 2009	30 September 2012
3	Shares of Associate/Joint Ventures held by the Company on the year end				
	No.	41972694	10	12520	-
	Amount of Investment in Associates/Joint Venture	168.75	0.00	0.10	0.00
	Extent of Holding %	37.32	33.33	25.03	51.00
4	Description of how there is significant influence	By virtue of holding more than 20% of the total share capital of the Company.	The Holding Company by virtue of the Share Holding Agreement signed with JV Partners, has power to participate in the Operations and Financial activities of the Company	The Holding Company by virtue of the Share Holding Agreement signed with JV Partners, has power to participate in the Operations and Financial activities of the Company	By virtue of joint arrangement whereby the Company has joint control and has the rights to the net assets of the arrangement.
5	Reason why the Associate/Joint Venture is not Consolidated	NA	NA	NA	NA
6	Networth attributable to Shareholding as per latest audited Balance sheet	247.68	(0.21)	(2.02)	(1.14)
7	Profit/Loss for the year				
	(i) Considered in Consolidation	7.15	0.00	0.00	(0.20)
	(ii) Not Considered in Consolidation	NA	NA	NA	NA

Note: During the financial year 2017-18, the investment (49%) in equity shares of Hathway Patiala Cable Private Limited (formerly known as Hathway Sukhamrit Cable & Datacom Private Limited) was classified as investment in Joint Venture. However, the management no longer intends to exercise its influence in operations of Hathway Patiala Cable Private Limited. Accordingly, such interest in Hathway Patiala Cable Private Limited has been reclassified and measured as financial assets in terms of Ind AS 109.

For and on behalf of the Board

Viren Raheja
Director
DIN: 00037592

Rajan Gupta
Managing Director
DIN: 07603128

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

Place: Mumbai
Date: 15th April,2019

ANNEXURE III

DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) Conservation of energy:

Steps taken or impact on conservation of energy	Not Applicable
Steps taken by the Company for utilizing alternate sources of energy	
Capital investment on energy conservation equipment	

(B) Technology absorption:

Efforts made towards technology absorption	Not Applicable
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
• Details of technology imported	Not Applicable
• Year of import	
• Whether the technology has been fully absorbed	
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
Expenditure incurred on Research and Development	

(C) Foreign exchange earnings and Outgo:

	1st April, 2018 to 31st March, 2019 [Current F.Y.]	1st April, 2017 to 31st March, 2018 [Previous F.Y.]
Actual Foreign Exchange earnings	1.95	0.00
Actual Foreign Exchange outgo	54.99	128.99

For and on behalf of the Board

Rajan Gupta
Managing Director
DIN 07603128

Viren Raheja
Director
DIN 00037592

Place: Mumbai
Date: 15th April, 2019

Registered Office
Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road,
Santacruz West, Mumbai 400054
CIN: L64204MH1959PLC011421
Tel No. 022-26001306 Fax No. 022-26001307
Mail: info@hathway.net
website: www.hathway.com

ANNEXURE IV

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

To,
The Members
HATHWAY CABLE AND DATACOM LIMITED
Rahejas, 4th Floor,
Corner of Main Avenue, V. P. Road, Santacruz (West),
Mumbai – 400054

Dear Sirs,

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Hathway Cable and Datacom Limited (hereinafter called "the Company") as given in **Annexure I**, for the Financial Year ended on 31st March, 2019, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:-

i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;and

v. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year underreport:-

i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;and

(vii) Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings and Overseas Direct Investment were not attracted to the Company under the financial year underreport.

(viii) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws specifically applicable to the Company:

a) Cable Television Networks (Regulation) Act, 1995, Cable Television Network (Regulation) Rules, 1994 and Content Certification Rules, 2008;

b) The Cinematography Act, 1952;

c) Telecom Regulatory Authority of India Act, 1997;

d) Indecent Representation of Women (Prohibition) Act, 1986.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 for the Board Meetings and General Body Meetings;and

ii) The Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India.

During the financial year under report, the Company has:

- generally complied with the provisions of the Secretarial Standards referred toabove;

- complied with the provisions of the other applicable Acts, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including one woman director in compliance with the provisions of the Companies Act, 2013.

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

As per the minutes of the meetings, the decisions of the Board were taken unanimously.

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

We further report that during the year under report, the following event(s)/ action(s) had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

(a) Authority obtained from the Shareholders of the Company to create charge over the assets of the Company for loans taken by the Company pursuant to Section 180(1)(a) of the Companies Act, 2013 upto ₹ 2,700 Crores (previous approved limit: ₹ 2,000 Crores);

(b) Authority obtained from the Shareholders of the Company to introduce, offer, issue and allot employee stock options exercisable into not exceeding 11,000,000 equity shares of the Company, having face value of ₹ 2/- (Rupees Two only) each at a price as may be decided by the Board from time to time, as per the terms of "Hathway Employee Stock Option Plan 2018";

(c) Raising of funds through preferential issue of 30,800,000 Equity shares of ₹ 2/- (Rupees Two only) each to Hathway Investments Private Limited, an entity forming part of the Promoter Group, for an aggregate consideration of ₹ 996,380,000/- pursuant to Section 42 and Section 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder;

d) Raising of funds by way of issue of 90,88,10,000 Equity Shares of ₹ 2/- (Rupees Two only) each, fully paid up, on preferential basis, pursuant to the Share Subscription Agreement and Shareholders Agreement dated 17th October, 2018 entered into between the Company, Mr. Akshay Raheja, Mr. Viren Rajan Raheja, Hathway Investments Private Limited, Spur Cable and Datacom Private Limited ("the Promoters") and Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited and Jio Cable and Broadband Holdings Private Limited ("the acquirers"):

Sr. No.	Name of the Allotees	No. of Shares issued	Percentage of Paid Up Capital
1.	Jio Content Distribution Holdings Private Limited	53,46,98,609	30.21
2.	Jio Internet Distribution Holdings Private Limited	21,42,96,755	12.11
3.	Jio Cable and Broadband Holdings Private Limited	15,98,14,636	9.03
	Total	90,88,10,000	51.34

Consequent to the aforesaid issue of Shares, the acquirers along with persons acting in concert, made an Open Offer to the Public Shareholders of the Company and acquired Equity Shares, details of which are as under:

Sr. No.	Name of the Acquirer	No. of Shares acquired	Percentage of Paid Up Capital acquired
1.	Jio Content Distribution Holdings Private Limited	21,46,83,845	12.13
2.	Jio Internet Distribution Holdings Private Limited	8,60,41,090	4.86
3.	Jio Cable and Broadband Holdings Private Limited	6,41,66,280	3.62
	Total	36,48,91,215	20.61

As at the end of the Financial Year, the Paid Up Equity Capital held by the acquirers was as under:

Sr. No.	Name of the Acquirer	No. of Shares acquired	Percentage of Paid Up Capital held
1.	Jio Content Distribution Holdings Private Limited	74,93,82,454	42.34
2.	Jio Internet Distribution Holdings Private Limited	30,03,37,845	16.97
3.	Jio Cable and Broadband Holdings Private Limited	22,39,80,916	12.65
	Total	1,27,37,01,215	71.96

For RATHI &ASSOCIATES
COMPANY SECRETARIES

HIMANSHU S. KAMDAR
PARTNER
FCS :5171
COP:3030

Place: Mumbai
Date: 15th April, 2019

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

ANNEXURE - I

List of documents verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March, 2018;
3. Minutes of the Board of Directors and Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee of the Company along with the respective Attendance Registers for meetings held during the Financial Year underreport;
4. Minutes of General Body Meetings/ Postal Ballot(s) held during the Financial Year underreport;
5. Proof of compliance with the Secretarial Standards in respect of Board meetings and General meetings, to the extent applicable;
6. Policies framed by the Company pursuant to the applicable laws and Regulations;
7. Statutory Registers under Companies Act, 2013;
8. Copies of Notice, Agenda and Notes to Agenda papers submitted to all the directors/members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation;
9. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013;
10. Intimations received from directors under the prohibition of Insider Trading Code;
11. e-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the Financial Year under report;
12. Intimations/documents/reports/returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement entered with the Stock Exchanges and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year underreport;
13. E-mails evidencing dissemination of information related to closure of Trading window;
14. Internal Code of Conduct for prevention of Insider Trading by Employee/Directors/Designated Persons of the Company;
15. Compliance Certificate placed before the Board of Directors from time to time;
16. Quarterly Related Party Transactions statements;
17. Details of Sitting Fees paid to all Directors for attending the Board Meetings and Committees.

ANNEXURE – II

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

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

a) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

d) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For RATHI &ASSOCIATES
COMPANY SECRETARIES

HIMANSHU S. KAMDAR
PARTNER
FCS :5171
COP:3030

Place: Mumbai
Date: 15th April, 2019

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF ECONOMY

GLOBAL ECONOMY OVERVIEW

The global economy is projected to expand 2.9% in 2019, down 0.1 percentage points from last month's forecast. For 2020, the global economy is projected to grow 2.9% again. Global economic growth is expected to decelerate this year mostly due to softer dynamics among developed economies, which are approaching the tail-end of their current economic cycles. Nevertheless, the global economy is seen benefiting from tight labour markets, still accommodative monetary and policy stimulus in some countries like China.

The growth rate for emerging market and developing economies is estimated to rise to 5.0 percent in 2019-20. This Growth forecast primarily reflects stronger projected activity in emerging Europe and Asia economies for 2017 to 2019. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, the further pickup in global activity is entirely driven by emerging markets and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight.

INDIAN ECONOMY OVERVIEW

The Indian economy started the fiscal year 2018–19 with a healthy 8.2 percent growth in the first quarter on the back of domestic resilience. Growth eased to 7.3 percent in the subsequent quarter due to rising global volatility, largely from financial volatility, normalized monetary policy in advanced economies, externalities from trade disputes, and investment rerouting. Further, the Indian rupee suffered because of the crude price shock, and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Going ahead, the Indian economy is likely to sustain the rebound in FY 2018–19 growths is projected to be in the 7.2 percent to 7.5 percent range and is estimated to remain upward of 7 percent for the year ahead. These projections could be attributed to the sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructure development.

Among all large economies, India is likely to demonstrate a rapid and sustainable growth, at a CAGR of 9.46% from 2016 to 2021, driven by strong manufacturing-led industrial expansion and consumption demands from the private sector. According to Frost & Sullivan's analysis based on data from 2017 IMF WEO Update, the country's GDP is well positioned to cross USD 3,000 Bn (₹ 200 Tn) by 2020; in the event of accelerated manufacturing and investment, this figure could even potentially balloon to USD 3,600 Bn (₹ 240 Tn). India is expected to be the third largest consumer economy as its consumption may triple to USD 4 Tn by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

The Interim Budget 2020 of the Government of India has given a consumption-based push to the economy. First, in the form of direct transfers to farmers, a budgetary commitment for ₹ 200 billion in FY19 and ₹ 750 billion in FY20 has been provided. Secondly, the standard deduction for salaried employees has been raised from ₹ 40,000 to ₹ 50,000, which would increase their disposable income. Third, a tax relief has been given to the low and middle income groups with a taxable income of less than ₹ 500,000 which may be claimed as a rebate.

These programs are likely to add to the private disposable incomes of low to middle income segments in 2019-2020. They have the potential of raising consumption demand in the economy and correspondingly advertising spends, since the relatively lower income groups tend to have a higher marginal propensity to consume. Further, this fiscal stimulus is likely to have a stronger positive effect on growth rather than inflation since food inflation in December 2018 was contracting at (-) 2.5% y-o-y and the overall CPI inflation was quite low at 2.2%.

Source: EY Analysis March 2018

MEDIA & ENTERTAINMENT INDUSTRY

According to FICCI-EY report, the Indian Media & Entertainment (M&E) sector in 2018 reached ₹ 1.67 Tn, a growth of 13.4% over 2017. With the current trajectory, it is expected it to grow to ₹ 2.35 Tn by 2021.

(in ₹ Bn)	2017	2018	2019E	2021E	CAGR 2018-21
Television	660	740	815	955	8.8%
Print	303	306	317	338	3.4%
Filmed entertainment	156	175	194	236	10.6%
Digital media	119	169	223	354	28.0%
Animation and VFX	67	79	93	128	17.4%
Live events	65	75	86	112	14.0%
Online gaming	30	49	68	120	35.4%
Out Of Home media	34	37	41	49	9.2%
Radio	29	31	34	39	8.0%
Music	13	14	16	19	10.8%
Total	**1,476**	**1,674**	**1,887**	**2,349**	**12.0%**

Source: EY Analysis March 2018

Strong and consistent economic growth fueled by a rise in consumption and growth in digitization has boded well for the M&E industry which has grown at a CAGR of ~11 percent over 2014-18 to reach ₹ 1,674 Bn in 2018. However, in recent years, the sector was affected by major regulatory interventions by the government around demonetisation and GST.

These initiatives had a temporary adverse impact on both consumption and advertising spends, resulting in a slower than expected growth rate in 2018. However, the industry is now well on the road to recovery and aided by a buoyant Indian economy, strong domestic demand and growing digital access and consumption, the sector is expected to grow at a CAGR of 12% to reach ₹ 2,349 Bn by 2021.

Rural India and Tier II and Tier III cities are asserting their power over the M&E sector in recent years. While television broadcasters have launched a number of free-to-air (FTA) channels to tap rural and semi-urban markets, availability of data at affordable rates increased the reach of digital platforms into rural areas driving a significant growth in digital usage and changing the demographics of digital consumption from niche to mass. The Indian M&E industry has entered into a mature phase, and the growth is expected to come from untapped rural markets. The key growth will come in digital only, tactical digital and bundled digital customer segments.

	2018	2021
Digital only	1- 1.5 Mn	5 Mn
Tactical digital	6 Mn	25 Mn
Bundled digital	155 Mn	376 Mn
Mass consumers	464 Mn	387 Mn
Free consumers	155 Mn	180 Mn

Source: EY Analysis March 2018

The impact of the TRAI Tariff Order can have implications on total viewership, free television uptake, channel MRP rates and advertising revenues. While its implementation could take up-to six months, we can expect a lot of changes. OTT platforms are sure to benefit due to increased parity between television and OTT content choice and costs. Since large broadcasters have removed their content from FreeDish, its attractiveness may be impacted.

INDIAN BROADBAND INDUSTRY

Despite of the data big-bang, which was triggered by incumbent players in to the market-place, 2018, has been among the lowest growth years for broadband subscribers in India. Interestingly, India witnessed the maximum addition in broadband subscribers in the year 2016.

Overall broadband subscribers have grown at a CAGR of 37% in the past 4 years taking the total number of subscribers to 540 Mn. This has created the demand for the fixed broadband continues by end of 2018, fixed broadband subscribers reached to 18.27 Mn as on January 2019. (Source TRAI January 2019).

Consumers, who have at least one OTT subscription and Pay TV subscription and/or are driven by sachet pricing of content, would provide a high volume-lower value subscription base to content distributors. This segment could, on the back of digital and micro payment systems being rolled out in the country, reach as high as 20 Mn households from 6 Mn in 2017. We expect by 2021 this will reach to 30-35mn. Digital subscription grew by over 250% with Indians opening their purse strings to pay for online content.

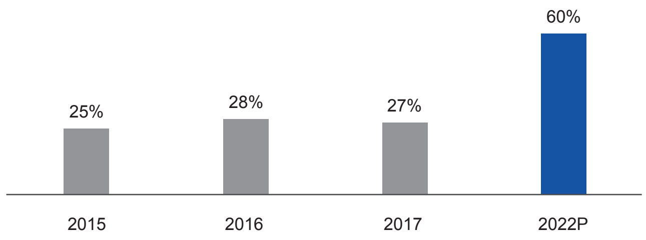
The next wave of this connectivity – high speed broadband – has already set the wheel in motion to further transform India’s economy. India is at the cusp of a digital revolution, with high speed broadband serving as a critical pillar. The Government’s Digital India vision envisages quality broadband for the masses as a basic infrastructure for every citizen. High speed broadband has the potential to act as substitute infrastructure for other critical sectors.

The cost of high physical infrastructure in sectors such as banking, healthcare, education, governance and retail can be offset by using a digital platform for delivery of services. The ubiquity of the mobile handset, and availability of high speed broadband have the ability to bring the benefits of these critical sectors to the masses.

Digital India: Data to unlock new opportunities

The online population is expected to grow exponentially from 446 Mn in 2017 to 840 Mn by 2022; 60% increase out of which 135 Mn with fixed internet users by 2022. The average broadband speed was 9.5 Mbps in 2017 and expected to increase to 31.2 Mbps where 89% of fixed broadband connections will be faster than 10 Mbps by 2022 up by 28% today.Goverment is expected to lay the foundation for fiber to 2,50,000 Kms a step providing fixed broadband access to 50% households by 2022. 4G being a dominant technology , 5G roll outs expected by 2022 in tune with the global launches.

Internet Users Population (%)



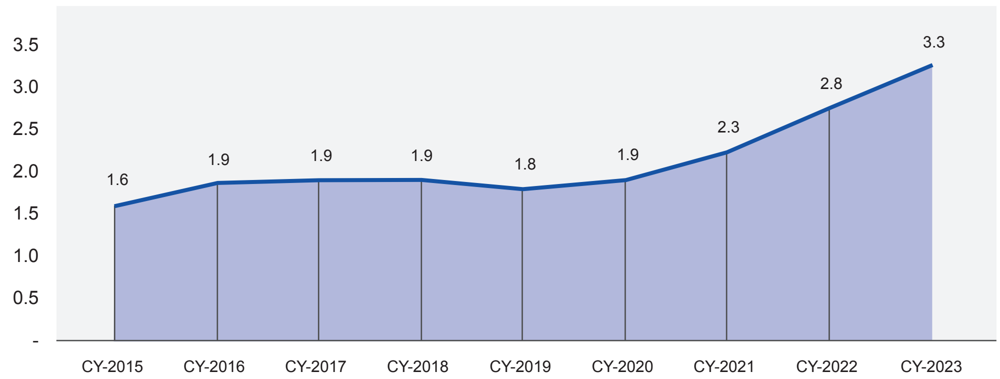
Source: Cisco VNI

Wireline Broadband Internet penetration in India

The Telecom Regulatory Authority of India (TRAI) in its Telecom Subscription Data Report for the month of March 2018 has revealed that Wired Broadband subscriber base in India were 22.81 Mn at the end of March 2018.

According to ICRA, the wireline broadband subscriber base can increase to 100 Mn households by 2024, and the revenue generated from these segments could expand to ₹ 80,000 crores as against ₹ 14,500 crores in India. In order to monetize the wired broadband networks (copper or FTTH) better, players in many mature markets like USA, UK, Germany offer integrated services - television, wireline services, and home broadband through a single tariff plan, at a significant discount to the individual services. A similar trend is expected to play out in India as well.

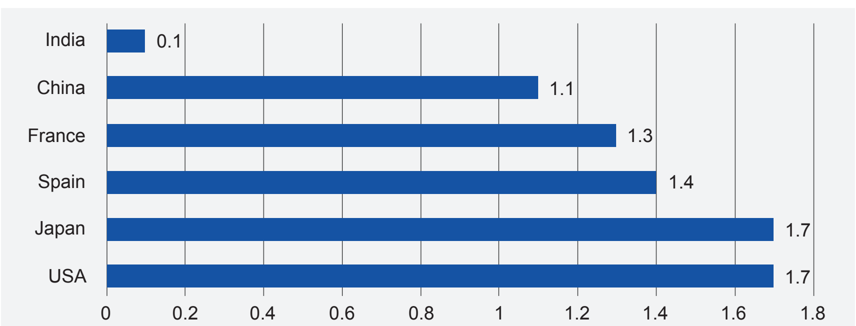
Fixed Broadband Revenue US$ Billion



Source: Media Partners Asia 2018

India has only 0.5% penetration for FTTH compared to global countries such as Singapore with 95%, South Korea with 83% penetration, Hong Kong at 71% and Malaysia 16% which are way ahead. In India, FTTH model is currently expensive compared to other countries and its standalone viability remains uncertain. This is majorly due to lack of a financially viable business case for deployment of FTTH. The future fixed broadband deployments in India will be led by FTTx-based technologies such as GPON.

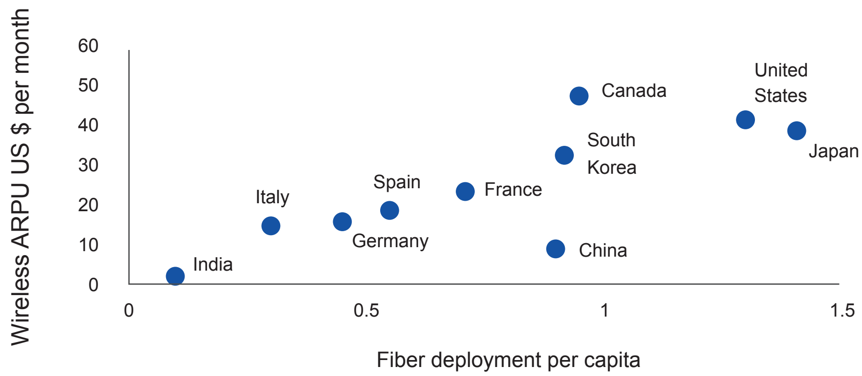
Fibre Deployed to Population



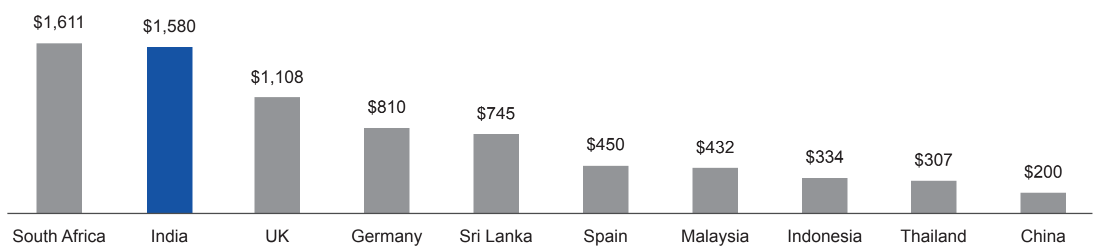
Source: EY Analsyis

India has one of the lowest broadband ARPUs across Asia Pacific, but the scale of the market puts it in the top five in terms of broadband revenue. While the initial investments are huge, rewards are considerable including new revenue streams such as residential broadband and enterprise services. For telcos to fully monetize the spectrum they have purchased over the past two years, they will have to add more fiber to their networks. With a promise of 10Gbps speed, less than 1 ms latency and 90% reduction in network energy utilisation, 5G will spur the next round of telecom infrastructure investments. The fact that 5G network will have to support very high data from emerging applications like video on demand (VoD), IoT, smart Cities, and the like also makes backhaul a critical concern. As demand for 4G and then 5G grows, networks will become denser and deeper.

Fiber backhauls to improve data ARPU (2016)[22]



FTTH construction cost per subscriber (US$)

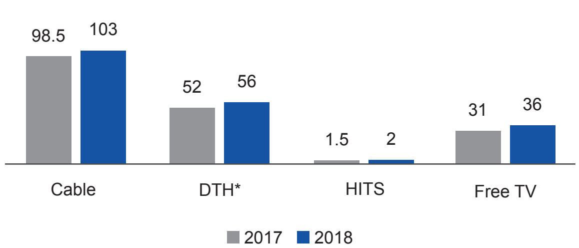


Source: ITU, EY analysis

INDIAN DIGITAL CABLE TELEVISION INDUSTRY

According to BARC, television owning households increased to 197 Mn, which is a 7.5% increase over the previous Broadcast India survey. During the same period, total Indian households increased 4.2% to reach 298 Mn. Correspondingly, TV penetration increased to 66% in 2018 from 64% in 2016.

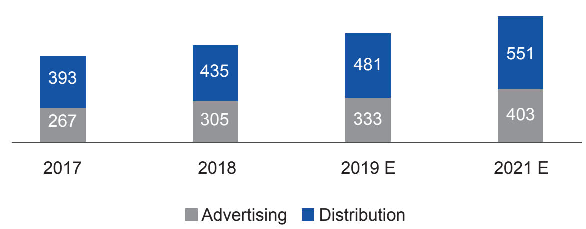
Television Households



* Net of temporarily suspended subscribers
Source: BARC, EY Analysis March 2018

Television grew 12% in 2018 to reach ₹ 740 Bn. Growth was led by a 14% increase in advertising revenues and 11% increase in subscription revenues.

TV Industry Revenue Breakup (₹ Bn)



Source: EY Analysis 2019

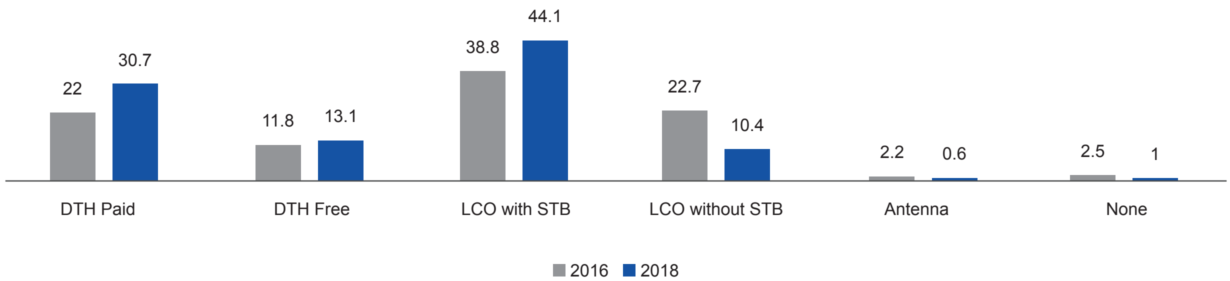
88% of television connections were digital

According to BARC, 31% of TV viewing households had paid DTH, 13% had free DTH and 44% had digital cable. This number indicates a 15% growth over 2016 and has contributed significantly to the growth in end-subscriber pricing. Digitization led to increased collections from end customers in DAS-III and DAS-IV markets, with many cities crossing the ₹ 200 per month number. DTH ARPUs have been affected by a change in the subscriber mix with incremental subscribers coming at a lower price point and the movement of subscribers to lower value regional packs.

Markets	2017 (₹ per month)	2018 (₹ per month)
DAS-I	250-350	250-350
DAS-II	200-325	200-325
DAS-III	150-225	175-225
DAS-IV	125-200	125-225

Source: BARC, EY Analysis March 2018

Rural TV penetration crosses 50%.



Source: Industry discussions, EY Analysis March 2018

HD channels grew from 78 in 2017 to 92 in 2018 (18% growth). HD viewership has grown at the rate of 57% in 2018 to reach 874,000 impressions.

TRAI's New Tariff Order (NTO)

The new tariff order is set to dramatically change the distribution landscape in India. It will bring in far greater transparency and overall it will be good for all stakeholders, this lead to fair share allocation of subscription revenues within the stake holders.

Some of the key features for the New Tariff Order are as below:

- Every broadcaster is required to declare the maximum retail price (MRP) of its pay channels on a-la-carte basis. However, such MRP shall be uniform for all types of addressable systems.
- Every Broadcaster must declare a distribution fee at a minimum of 20% of the MRP of pay channel or bouquet of pay channels which can be upto 35%.
- In addition to the distribution fee, Broadcasters may offer discounts to distributors which cannot exceed 15% of the MRP of pay channels or bouquet of pay channels. However, in no case, the sum of distribution fee declared by a broadcaster and discounts offered can exceed 35% of the MRP of pay channel or bouquet of pay channels, as the case may be.
- Every broadcaster should publish, on its website, the Reference Interconnection Offer (RIO) containing the information such as MRP of its pay channels and bouquet of pay channels, distribution fee, discounts etc.
- Every broadcaster is required to enter into written interconnection agreements on the basis of the RIO published by it for providing signals of pay channels to a distributor of television channels.
- Similarly, every distributor of television channels is required to publish RIO on its website for carrying a channel on its distribution network. Such RIO must necessarily contain the information such as target market, rate of carriage fee, manner of calculation of carriage fee etc.
- The rate of carriage fee has been capped at Re. 0.20 per Standard Definition channel and Re. 0.40 per High Definition Channel. The manner of carriage calculation is as prescribed in the regulations. The distributor can offer a discount on the carriage fee. However, such discount cannot be more than 35%.
- Every distributor is required to enter into written agreement, on the basis of its published RIO, with the broadcaster

for carrying television channels in respect of which the request has been received from such broadcasters.

- Any other kind of fee for a channel such as marketing fee, placement fee etc. between two service providers should be made part of interconnection agreement and reported to the Authority.
- It is mandatory for MSOs to enter into a written agreement with LCOs before providing the signals. Such interconnection agreement must comply with the standard provisions as per the Model Interconnection Agreement (MIA)/Standard Interconnection Agreement(SIA) as prescribed by the Authority.

The TRAI tariff order can have implications on total viewership, free television, channel MRP rates and advertising revenues. While its implementation could take up to six months, we can expect a lot of changes.

Consolidation has been seen across cable and DTH:

Acquirer	Acquired Company	Rationale
Reliance Jio	DEN Networks (66% stake), Hathway Cable (51.34% stake)	The acquisition has provided Reliance Jio with direct access to MSOs' broadband infrastructure and the large pool of pay Cable Television subscribers, which the company will utilize to accelerate Jio's entry into the fibre to the home market. Post-acquisition, Jio has direct access to ~6.5 Mn broadband households, which account for ~36% of India's total fixed broadband subscriber base of 18 Mn. On the other hand, the deal also allows Jio to access 12.5 Mn Cable Television subscribers or ~7% of total TV households who may not have broadband connectivity yet.
Dish TV India	Videocon D2H (Merger)	The combination of these two companies created the largest DTH operator in the country and they are expected to enjoy the benefits of scale across content and other operating costs.

Source: EY Analysis March 2018

Company Overview

Hathway Cable and Datacom Limited (HCDL), is one of India's leading broadband players having 5.5 million home passes and 0.81 million subscribers base. It is India' first MSO to launch GPON FTTH service in India.

Hathway Digital Private limited, a wholly owned subsidiary of HCDL, is an MSO, with 6+ main head ends and a network of approximately 35,000 kms of optical fibre and coaxial cable, providing cable services to 6 million viewers (including through its fellow subsidiaries and associates) pan India and reach to 109+ cities and adjoining areas.

Segment-wise Operational Review

Broadband

1) Your Company has rolled out 5.5 million Home Pass by March 2019 and its Broadband subscribers reached 0.81 million. During the year, the Company added 0.16 million subscribers at an ARPU of ₹ 662. The Company has shown growth of 10% in subscription revenue on year on year basis.

2) GPON FTTH Parallel network being deployed in High Potential High Penetrated DOCSIS home passes. Opportunity to increase market share by offering 200mbps - 500mbps speed to premium consumers, minimum data limits across country increased to 200 GB/consumer/ month. 59% of our consumers have monthly data limits of 1TB.

3) Your Company continues to bring in new technology for superior consumer experience, one of the initiatives taken is Hathway Play Box based on android platform which will provide world class large screen OTT viewing experience to our privilege customers, Hathway Play box also allows consumers to experience Android gaming on big screen including multiple users having gaming Fun on same screen. It also provides consumers a smarter way to watch all Google Play content on a big screen. These initiatives help to increase customer sticky-ness and to retain customers for longer duration.

4) The Company has appointed TCS as System Integrator to automate various process and Improve the Quality of Services. IT & Other Initiatives have helped us in cost optimization and provide system driven services.

5) The average bandwidth consumption (Mbps) per subscribers is 0.77 bandwidth increase is healthy for the long term wireline industry. The average data usage per costumer per month has now reached 113 GB which shows customers preference of watching online media and reflects the binge watching culture of users.

6) A new self-care app – 'Hathway Broadband' has been launched during the financial year which will provide customers access to their data usage pattern, billing cycle etc. by integrating it to the Oracle Billing and Revenue Management System (OBRM).

Cable Television

1) Hathway's Cable Television business has seen significant growth in subscription revenue by 14%, led by increase in monetisation of Phase III and IV.

2) Your Company has successfully implemented DPO Packs for all region. Packaging is based on the extensive consumer research and focussed group interviews with the customers. Approx.

3) In View of the NTO the relationship between the stakeholders are improved, which help us to drive the New Tariff order implementation across PAN India.

4) Your Company launch India's first Cable Hybrid box **"Hathway Ultra Smart HUB"** on the android TV platform to create unique TV viewing experience for Indian consumers based on This Ultra Smart TV Hub simplifies the user experience for our customers that increasingly combine their linear TV-viewing with on-demand and streaming services. The user can select and download more than 2,000 apps from Google Play, including play services, games, and music.

Financial Review

₹ in Crore	FY19	FY18	Growth %
Standalone			
Revenue from Operations	527.63	544.54	-3%
EBITDA*	202.68	227.10	-11%
EBITDA Margin	38.4%	41.7%	-8%
Total Comprehensive Income / (Loss) (after Tax)	**211.45**	**78.92**	**168%**
Consolidated			
Revenue from Operations	1,558.29	1,534.62	2%
EBITDA*	331.34	336.06	-1%
EBITDA Margin	21.3%	21.9%	-3%
Total Comprehensive Income / (Loss) (after Tax)	**(186.53)**	**(105.21)**	**77%**

* Excluding impact of Forex Loss

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation are as given below:

Ratio (Consolidated Basis)	Mar-19	Mar-18	% Changes	Explanation
Debtor Turnover Ratio	12.90	3.93	228%	Shift in O2C cycle post implementation of the new Regulatory Framework for Broadcasting & cable Services sector notified by TRAI
Inventory Turnover	NA	NA	0%	--
Interest Coverage Ratio	1.50	2.20	-32%	Reduction in forex loans (Buyers Credit) in Debt portfolio
Current Ratio	2.84	0.38	653%	Financial Investment post Equity infusion in Current Financial year
Debt Equity Ratio	0.54	2.12	-74%	Equity infusion in Current Financial year
Operating Profit Margin	19.8%	21.9%	-9%	
Net profit Margin	-12%	-7%	66%	Higher Opex
Return on Net Worth	-5%	-14%	-62%	Equity infusion in Current Financial year

Other Key Developments

Preferential allotment to Entities belongs to Reliance Group of Companies

During the year, Jio Content Distribution Holdings Private Limited, Jio Internet Distribution Holdings Private Limited and Jio Cable and Broadband Holdings Private Limited, (Acquirers) and Mr. Akshay Raheja, Mr. Viren Raheja, Hathway Investments Private Limited and Spur Cable and Datacom Private Limited and the Company had entered into a Share Subscription Agreement dated October 17, 2018 ("SSA") Company to subscribe to 51.34% of the post allotment share capital of the Company. Pursuant to which, the Company made an allotment of 908,810,000 equity shares of the Company on 30th January, 2019 to the Acquirers, at a price of ₹ 32.35/- (including premium of ₹ 30.35/-) per Equity Share aggregating to ₹ 29,400,003,500/- on a preferential basis:

Sr. No.	Particulars of Allotees	Shares
1	Jio Content Distribution Holdings Private Limited	534,698,609
2	Jio Internet Distribution Holdings Private Limited	214,296,755
3	Jio Cable and Broadband Holdings Private Limited	159,814,636
	Total	**908,810,000**

Pursuant to such allotment, the acquirers acquired sole control of the Company and the acquirers along with Reliance Industries Limited, Digital Media Distribution Trust, Reliance Content Distribution Limited and Reliance Industrial Investments and Holdings Limited ("PACs") became part of the 'Promoter and Promoter Group' of the Company.

Pursuant to the above preferential issue made by the Company, there was an obligation on the acquirers, to make an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Accordingly, the Allotees and the PACs made an open offer for acquisition of up to 26% of the expanded voting share capital of the Company from the public shareholders of the Company at a price of ₹ 32.35 per equity share The acquirers, acquired 364,891,215 equity shares representing 20.61% of the total equity / voting capital of the Company in the open offer.

As on date, their aggregate holding in the Company stands at 1,273,701,215 equity shares of the Company i.e. 71.96% of the total paid-up share capital of the Company.

SWOT ANALYSIS

Strengths

Broadband:

- First MSO to Launch GPON with 300 Mbps speed
- Average data consumption 113 Gb per subscriber per month
- Partnering with various content providers, education portals and other lifestyle improvement players
- Launch of **"Hathway Play Box"** based on android platform which will provide world class large screen OTT viewing experience to our customers

Cable:

- 6 Million digital subscribers base; Offers its cable television services across 109+ cities and towns, operating in pan India regions
- Implementation of Hathway connect, increase in transparency among the LCOs
- Centralized CAS provides feed from 8 main head-ends across the country
- Customers friendly DPO pack's which allows to meet their daily viewing requirement.
- Negotiation Power with the Broadcaster
- The Launch of New android based Set Top Box "Hathway Ultra Smart HUB" this allows the one single device for use of Liner and OTT content.

Challenges

Broadband:

- To retain Lower GB usage customers
- Continuously focusing to expand the footprint and upgrading network and infrastructure
- Expansion to power towns with a low cost model

Cable:

- Compliance of QoS TRAI
- Strong IT Support to Large volume
- High content cost due to southern market
- Lower paying capacity and poor infrastructure in Phase 3 and 4 markets
- Large number of subsidiaries to manage

Opportunities	Threats
Broadband: • Rapid growth of the top power cities, demand for high speed connectivity fixed broadband • Government initiatives for Smart City • Increase in Media content through OTT platform main driver for online content consumption. **Cable**: • Implementation of New Tariff will have an impact on the content cost rational, Higher monetisation • Prepaid model implementation • Collaboration with new technology will change the revenue model • HD would continue to be opportunity by way of new channel launches and better regional content • Monetization	**Broadband:** • Low end users may move to wireless service providers due to competitive pricing • Technology Changes will lead to upgradation **Cable:** • DTH companies, Free Dish to offer stiff competition in Phase 3 and 4 Markets

RISKS AND CONCERNS

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

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

The Company believes in adopting the 'best practices' in the area of corporate governance. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees and board of directors.

In accordance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereto), hereinafter referred to as SEBI (LODR), the report containing the details of governance systems and processes at Hathway Cable and Datacom Limited is as under:

2. BOARD OF DIRECTORS

a) Composition of the Board of Directors:

As per the provisions of Regulation 17 of SEBI (LODR), the Board of Directors of the Company has optimum combination of Executive, Non-Executive and Independent Directors comprising of 1 (One) Executive Director and 9 (Nine) Non-Executive Directors of which 4 (Four) are Independent Directors who are not liable to retire by rotation. The Chairman of the Company is Non-Executive Independent Director and one third of the total number of directors are Independent Directors. Ms. Ameeta Parpia is the woman independent director.

None of the directors of the Company hold Directorship in more than 10 (Ten) Public Limited Companies or act as an Independent Director of more than 7 (Seven) Listed Companies. Further, none of the directors is member of more than 10 (Ten) committees or chairperson of more than 5 (Five) committees across all Public Limited Companies in which they hold the office of Directors.

The composition of the Board and other relevant details relating to directors for the financial year ended 31st March, 2019 are as under:

Name of the Director	Relationship with other Directors	Designation	Category of Directorship	No of Directorship in listed entities including this listed entity	Names of other listed entities along with category of directorship	No of memberships in statutory committees* (As per Regulation 26 of SEBI (LODR))	No of post of Chairperson of statutory Committees* (As per Regulation 26 of SEBI (LODR))
Mr. Sridhar Gorthi	None	Chairman	Independent	2	1. Glenmark Pharmaceuticals Limited- Independent Director	2	1
Mr. Akshay Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Viren Raheja	Director	Non-Executive & Non Independent Director	2	1. EIH Associated Hotels Limited-Non-Executive & Non Independent Director	1	0
Mr. Viren Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Akshay Raheja	Director	Non-Executive & Non Independent Director	2	1. Sonata Software Limited-Promoter, Non-Executive Director	3	0

Name of the Director	Relationship with other Directors	Designation	Category of Directorship	No of Directorship in listed entities including this listed entity	Names of other listed entities along with category of directorship	No of memberships in statutory committees* (As per Regulation 26 of SEBI (LODR))	No of post of Chairperson of statutory Committees* (As per Regulation 26 of SEBI (LODR))
Mr. Rajan Gupta	None	Managing Director	Executive	2	1. GTPL Hathway Limited-Chairman (Non-Executive Director)	2	0
Mr. Sasha Mirchandani	None	Director	Independent	2	1. Ador Welding Limited- Independent Director	1	0
Mr. Devendra Shrotri	None	Director	Independent	1	--	1	0
Ms. Ameeta Parpia	None	Director	Independent	3	1. Supreme Petrochem Limited-Independent Director 2. Prism Johnson Limited-Independent Director	8	4
Ms. Geeta Fulwadaya	None	Director	Non-Executive & Non Independent Director	4	1. Den Networks Limited-Non-Executive & Non-Independent Director 2. Sikka Ports & Terminals Limited-Non-Executive & Non-Independent Director 3. Jamnagar Utilities & Power Private Limited- Non-Executive & Non-Independent Director	0	0
Mr. Saurabh Sancheti	None	Director	Non-Executive & Non Independent Director	2	1. Den Networks Limited-Non-Executive & Non-Independent Director	0	0
Mr. Anuj Jain	None	Director	Non-Executive & Non Independent Director	2	1. Den Networks Limited-Non-Executive & Non-Independent Director	0	0

* It excludes Private Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and alternate directorships and for determination of limit of committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee alone shall be considered.

b) Shares and convertible instruments held by Non-Executive Directors:

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

Sr. No.	Name of the Director	Shares Held
1.	Mr. Akshay Raheja	121,413,000
2.	Mr. Viren Raheja	119,553,000
3.	Ms. Ameeta Parpia	27,315

Apart from the details mentioned hereinabove, no other Non-Executive director hold any shares in the Company.

c) Board Meetings and Annual General Meeting:

During the financial year 2018-19, 9 (Nine) Board Meetings were held and the gap between two Board Meetings was not more than 120 days. The details of Board Meetings held during the year are given below:

Sr. No.	Date of Meeting
1.	28th May, 2018
2.	2nd July, 2018
3.	20th July, 2018
4.	14th August, 2018
5.	29th August, 2018
6.	17th October, 2018
7.	12th November, 2018
8.	23rd January, 2019
9.	30th January, 2019

The last Annual General Meeting of the Company was held on 11th September, 2018.

The directors were given an option of attending the Board Meeting through video conferencing. The details of attendance of directors in Board Meetings and the last Annual General Meeting are as follows:

Name of the Director(s)	No. of Board Meetings Attended	Attendance at Annual General Meeting dated 11th September, 2018
Mr. Sridhar Gorthi	9	Yes
Mr. Rajan Raheja*	7	No
Mr. Akshay Raheja	5	Yes
Mr. Viren Raheja	9	Yes
Mr. Vinayak Aggarwal*	8	Yes
Mr. Sasha Mirchandani	6	No
Mr. Devendra Shrotri	2	No
Ms. Ameeta Parpia	8	No
Mr. Rajan Gupta	7	Yes
Ms. Geeta Fulwadaya**	--	NA
Mr. Saurabh Sancheti***	--	NA
Mr. Anuj Jain***	--	NA

* Resigned on 30th January, 2019

**Appointed on 30th January, 2019

***Appointed on 29th March, 2019

d) Separate meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR), a separate meeting of the Independent Directors of the Company was held to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

e) Induction and training of the Board Members:

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

Details of familiarization programmes imparted to Independent Directors are disclosed on the website of the Company and can be accessed through web link http://www.hathway.com/About/ComplianceReport#/2018-2019

f) Evaluation of Board performance:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Company. The exercise was carried out through a structured evaluation process covering various aspects of the boards' functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual directors including the Board, Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of confidential information, adherence to ethical standards etc.

g) Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company.

The Company has obtained the confirmation of the Compliance with the Code from all its Board members and Senior Management Personnel and a declaration on compliance of the Company's Code of Conduct signed by the Managing Director forms part of this Report.

h) Prevention of Insider Trading Code:

The Company has adopted the revised Policy on Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Mr. Ajay Singh, Head Corporate Legal, Company Secretary and Chief Compliance Officer is responsible for setting forth procedures and implementation on Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

i) Matrix setting out the skills/expertise/competence of the Board of Directors:

The Board is expected to consist of individuals with a balance of skills to oversee the organisation, achieve the strategic goals and direct the organisation's growth in future. All Directors are expected to possess personal attributes such as strong ethics, integrity, leadership quality among such other attributes in addition to sound professional knowledge and experience and contribute to the collective industry skills set held by the Board.

The matrix below highlights the skills and expertise required from individuals for the office of Directors of the Company:

Key Skill Area	Essential	Desirable
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats.	Develop effective strategies in the context of the strategic objectives of the Company and formulate relevant policies and priorities.
Financial Performance	Qualifications and experience in accounting and/or finance and analyze key financial statements and critically assess financial viability and performance.	A Chartered Accountant/ Cost Accountant with more than 10 years of experience having the ability to: Oversee budgets and the efficient use of resources; Oversee funding arrangements and accountability.
Legal	Qualification such as LLB or CS and experience in legal practice with emphasis on corporate law.	LLB /CS with more than 10 years of experience, Relevant experience in the Industry; In-depth Knowledge and practical exposure to Regulations applicable to the Company.
Commercial Experience	A broad range of commercial/business experience, preferably in the small to medium enterprise context, in areas including communications, marketing, branding and business systems, practices and improvement.	A person with a degree of Masters in Business Administration or a person with exposure of handling a business with more than 15 years of experience and understanding varied business environment.
Sales and Marketing in Service/ Commodity sector	Experience in developing strategies to grow sales and market share, Understanding of the Market needs, Development of Brand.	Having in depth knowledge about the industry and having considerable experience in sales and marketing sector, ability to enhance enterprise reputation.
Information Technology	Having basic understanding of technology used.	Knowledge of anticipating technological trends and helping in development of new business models with help of sound digital and technical understanding.

The Board of Directors further confirm that the Independent Directors on the Board of Directors of the Company fulfil the conditions specified in the SEBI (LODR) and are independent of the management.

3. AUDIT COMMITTEE

a) Constitution of Audit Committee:

The Committee comprises of 5 (Five) Non-Executive Directors out of which 4 (Four) are Independent Directors. All the members of the Committee are financially literate and Mr. Sasha Mirchandani, who has done his Business Administration from Strayer University and MMDP program at IIM, Ahmedabad has financial management expertise. The Chairman of the Audit Committee is an Independent Director.

b) Composition of Audit Committee and Number of Meetings held and Attended by members:

During the Financial year 2018-19, 6 (Six) Audit Committee Meetings were held and the gap between two meetings was not more than 120 days. Details of meetings during the financial year 2018-19 are as under:

Sr. No.	Date of Meeting
1.	28th May, 2018
2.	2nd July, 2018
3.	20th July, 2018
4.	14th August, 2018
5.	12th November, 2018
6.	23rd January, 2019

The members were also given an option of attending the meeting through video conferencing.

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

Committee Members attending the Meeting	Category	Designation	No. of Meetings Attended
Mr. Sridhar Gorthi	Independent	Chairman	6
Mr. Viren Raheja	Non - Executive & Non Independent	Member	6
Mr. Sasha Mirchandani	Independent	Member	5
Mr. Devendra Shrotri	Independent	Member	0
Ms. Ameeta Parpia	Independent	Member	5

The internal auditor reports to the Audit Committee and the Chairman of the Audit Committee has attended the last AGM.

c) Attendees:

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

d) Terms of Reference:

i) Hold discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems;

ii) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

iii) Recommending to the Board, the appointment, remuneration and terms of appointment, re-appointment and if required, the replacement or removal of the statutory auditors;

iv) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

v) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

   b) Changes, if any, in accounting policies and practices and reasons for the same.

   c) Major accounting entries involving estimates based on the exercise of judgment by the management.

   d) Significant adjustments made in the financial statements arising out of audit findings.

   e) Compliance with listing and other legal requirements relating to financial statements.

f) Disclosure of any related party transactions.

g) Qualifications in the draft audit report.

vi) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vii) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

viii) Review and monitor the auditor's independence, performance and effectiveness of audit process;

ix) Approval or any subsequent modification of transactions of the Company with related parties;

x) Scrutiny of inter-corporate loans and investments;

xi) Valuation of undertakings or assets of the Company, wherever it is necessary;

xii) Evaluation of internal financial controls and risk management systems;

xiii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiv) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xv) Discussion with internal auditors on any significant findings and follow up there on;

xvi) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xvii) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xviii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xix) To review the functioning of the Whistle Blower mechanism;

xx) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

xxi) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Constitution of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of 5 (Five) members. All the members of the Committee are Non-Executive Directors out of which 3 (Three) members are Independent Directors. The Chairman of the Committee is an Independent Director.

b) Composition of Nomination and Remuneration Committee and the number of meetings held during the financial year 2018-19 and attendance by the members:

During the Financial year 2018-19, 3 (Three) Nomination and Remuneration Committee Meetings were held. Details of meetings during the financial year 2018-19 are as under:

Sr. No.	Date of Meeting
1.	2nd July, 2018
2.	14th August, 2018
3.	30th January, 2019

The members were also given an option of attending the meeting through video conferencing.

Committee Members Attending the Meeting	Category	Designation	No. of meetings attended
Mr. Sasha Mirchandani	Independent	Chairman	2
Mr. Viren Raheja	Non - Executive & Non Independent	Member	3
Mr. Akshay Raheja	Non - Executive & Non Independent	Member	1
Mr. Sridhar Gorthi	Independent	Member	3
Mr. Devendra Shrotri	Independent	Member	1

c) Terms of reference:

The Committee is empowered to –

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

ii. Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors/ Independent Directors on the Board and as Key Managerial Personnel;

iii. Support Board in performance evaluation of all the directors and annual self-assessment of the Board's overall performance;

iv. Conduct annual performance review of Managing Director and Senior Management Personnel;

v. Administration of Employee Stock Option Scheme (ESOS);

vi. Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;

vii. Devising a policy on diversity of Board of Directors;

viii. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

d) Performance Evaluation Criteria for Independent Directors:

Each Independent director shall be evaluated by all other directors of the Board but not by him/her.

Evaluation based on professional conduct

1. Whether ID upholds ethical standards of integrity and probity?
2. Whether ID acts objectively and constructively while exercising their duties?
3. Whether ID exercises his/her responsibilities in a bona fide manner in the interest of the Company?
4. Whether ID devotes sufficient time and attention to his/her professional obligations for informed and balanced decision making?
5. Whether ID does not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in 7 or dissenting from the collective judgment of the Board in its decision making?
6. Whether ID does not abuse his/her positions to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person?
7. Whether ID refrains from any action that would lead to loss of his/her independence?
8. Where circumstances arise which make an independent director lose his/her independence, whether the independent director has immediately informed the Board accordingly?
9. Whether ID assists the Company in implementing the best corporate governance practices?

Evaluation based on role and functions

1. Whether ID helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct?
2. Whether ID brings an objective view in the evaluation of the performance of Board and management?
3. Whether ID scrutinizes the performance of management in meeting agreed goals and objectives and monitor the reporting of performance?
4. Whether ID satisfies himself/herself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible?
5. Whether ID has taken actions to safeguard the interests of all stakeholders, particularly the minority shareholders?
6. Whether ID balances the conflicting interest of the stakeholders?
7. Whether ID during the Board/Committee meetings along with other members determines appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management?
8. Whether ID moderates and arbitrates in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest?

Evaluation based on Duties

1. Whether ID undertakes appropriate induction and regularly update and refresh his/her skills, knowledge and familiarity with the Company?
2. Whether ID seeks appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts?
3. Whether ID strives to attend all meetings of the Board of Directors and of the Committees of which he/she is a member?
4. Whether ID participates constructively and actively in the Committees of the Board in which he/she is chairperson or member?
5. Whether ID strives to attend the general meetings of the Company?
6. Where ID has concerns about the running of the Company or a proposed action, whether he/she ensures that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting?
7. Whether ID does not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board?
8. Whether ID gives sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure himself/herself that the same are in the interest of the Company?
9. Whether ID ascertains and ensures that the Company has an adequate and functional vigil mechanism and also ensures that the interests of a person who uses such mechanism are not prejudicially affected on account of such use?
10. Whether ID reports concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct?
11. Whether ID acts within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees?
12. Whether ID does not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law?

5. REMUNERATION POLICY

The Board of Directors of the Company at their meeting held on 30th January, 2019 adopted the revised Nomination and Remuneration Policy which has been placed on the website of the Company www.hathway.com.

The salient features of the said Policy are as under:

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

Key changes of the said Policy are as follows:

- Change in definition of Senior Management;
- Recommending to the Board, the remuneration payable to Senior Management.

a) Remuneration of directors:

i. Management Staff:

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

ii. Non-Executive Directors:

Non-Executive Directors of the Company receive only sitting fees for attending Board Meetings and Committee Meetings. The sitting fees paid to Non-Executive Directors is within the limits prescribed under the Companies Act, 2013.

Details of the sitting fees during the financial year 2018-19 are as under:

Name of the Director	Sitting Fees (Amt. in ₹)
Mr. Akshay Raheja	200,000
Ms. Ameeta Parpia	600,000
Mr. Devendra Shrotri	100,000
Mr. Rajan Raheja*	350,000
Mr. Sasha Mirchandani	500,000
Mr. Sridhar Gorthi**	690,000
Mr. Vinayak Aggarwal*	400,000
Mr. Viren Raheja	690,000
Ms. Geeta Fulwadaya***	--
Mr. Saurabh Sancheti****	--
Mr. Anuj Jain****	--
Grand Total	3,530,000

* Resigned on 30th January, 2019

** Payments made directly to "Trilegal"

***Appointed on 30th January, 2019

****Appointed on 29th March, 2019

iii. **Executive Directors:**

As of 31st March, 2019, Mr. Rajan Gupta, Managing Director is the only Executive Director of the Company.

Details of remuneration paid to Mr. Rajan Gupta during the year ended 31st March 2019 is given below:

Name of the Executive Director	Designation	Salary & Perquisites (₹)	Incentive (₹)	Others (Provident Fund)	Total (₹)
Rajan Gupta	Managing Director	21,614,201	4,466,000	760,320	26,840,521

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) Constitution and Composition of Stakeholder's Relationship Committee:

The Stakeholder's Relationship Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of declared dividends, etc. and take necessary steps for redressal thereof. The Company has taken necessary steps to adequately comply with Regulation 20 of SEBI (LODR).

During the financial year 2018-19, 4 (Four) meetings of Stakeholder's Relationship Committee were held as per the details given below:

Sr. No.	Date of Meeting
1.	10th April, 2018
2.	6th July, 2018
3.	8th October, 2018
4.	11th January, 2019

Owing to resignation of Mr. Vinayak Aggarwal, Non-Executive Director from the Board of Directors of the Company on 30th January, 2019, Ms. Ameeta Parpia, Independent Director, was appointed as Chairman of Stakeholder's Relationship Committee.

The composition of the Stakeholder's Relationship Committee and details of attendance of meetings by members is as under:

Sr. No.	Name of the Member	Category	Designation	No. of Meetings Attended
1	Ms. Ameeta Parpia	Independent Director	Chairman	--
2	Mr. Viren Raheja	Non-Executive Director	Member	3
3	Mr. Rajan Gupta	Managing Director	Member	4

b) Name and designation of the Compliance Officer:

Mr. Ajay Singh is the Head Corporate Legal, Company Secretary and Chief Compliance Officer of the Company.

c) Status of the Complaints:

During the financial year 2018-19, no grievance from investors was received and therefore there were no complaints pending as at end of the year.

Received from	Received During 2018-19	Redressed during 2018-19	Pending as on 31.03.2019
SEBI	0	0	0
NSE	0	0	0
BSE	0	0	0
NSDL/CDSL	0	0	0
Direct from Investors	0	0	0
Total	**0**	**0**	**0**

d) Share Transfers in Physical Mode:

Shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are complete in all respects.

There was no transfer of shares held in physical form reported during the financial year 2018-19.

CORPORATE OVERVIEW
NOTICE
DIRECTORS' REPORT
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT ON CORPORATE GOVERNANCE
STANDALONE FINANCIAL STATEMENTS
CONSOLIDATED FINANCIAL STATEMENTS

7. GENERAL BODY MEETINGS

a) Location, time and date of holding of the last 3 (Three) Annual General Meetings are given below:

Financial Year	Date of AGM	Venue	Time
2015-16	17.08.2016	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3:00 pm
2016-17	15.09.2017	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3:00 pm
2017-18	11.09.2018	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3:00 pm

b) Special Resolutions during previous 3 (Three) Annual General Meetings:

Date of AGM	Particulars of Special Resolutions Passed
17.08.2016	Nil
15.09.2017	Nil
11.09.2018	Nil

c) Location, time and date of holding of the Extra Ordinary General Meeting of the Company for the financial year 2018-19:

Date of EGM	Venue	Time
14.11.2018	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	2:00 pm

d) Postal Ballot:

During the financial year 2018-19, the Company conducted a postal ballot exercise for seeking approval of members. Shareholders of the Company were provided e-voting facility for casting their votes electronically on the resolutions proposed through postal ballot process. The details of postal ballot exercise undertaken by the Company during the financial year 2018-19 are as under:

Postal Ballot Notice dated	Resolutions proposed
14th August, 2018	1. Special Resolution to approve the re-appointment of Mr. Rajan Gupta as Managing Director of the Company including his terms of re-appointment and remuneration
	2. Special Resolution to approve "Hathway Employee Stock Option Plan 2018"

Other details of Postal Ballot Process:

Postal Ballot Notice dated	Cut Off date	Date of dispatch of notice	Date of publication of dispatch of notice in newspapers	Commencement of E-voting	Last date of receiving of postal ballot /e-voting by Scrutinizer	Date of declaration of results
14th August, 2018	24th August, 2018	1st September, 2018	2nd September, 2018	3rd September, 2018	2nd October, 2018	4th October, 2018

Postal Ballot process:

i. Mr. Himanshu S. Kamdar, Practicing Company Secretary was appointed as the Scrutinizer for submitting report on voting pattern on the resolutions proposed to be passed through postal ballot carried out during the financial year 2018-19.

ii. Any of the directors and/or the Company Secretary of the Company were severally authorized to conduct the postal ballot process.

iii. The Company had dispatched the Postal Ballot Notice, together with the Explanatory Statement along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on cut-off date. The said Notice was dispatched through electronic mode in case of registered mail ids available with the Registrar and Transfer Agents and other cases through physical mode.

iv. The voting (either physically or through electronic mode) under the postal ballot was kept open for a period of 30 days from the date of dispatch of postal ballot notice.

v. Particulars of postal ballot forms received from the members using the electronic platform of Central Depository Services (India) Limited were entered in a register separately maintained for the purpose.

vi. The postal ballot forms were kept under safe custody of the Scrutinizer in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.

vii. All postal ballot forms received up to the closure of working hours of the last date and time fixed by the Company for receipt of the forms, was considered by the Scrutinizer and postal ballot forms received thereafter was not considered by the Scrutinizer.

8. MEANS OF COMMUNICATION

i. All the vital information relating to the Company like quarterly results, annual results, official press releases, presentations, if any, made to Institutional Investors or Analysts are posted on the website of the Company www.hathway.com on timely basis.

ii. The quarterly and annual financial result of the Company is published either in Aapla Mahanagar or Mumbai Lakshadeep (Marathi Newspaper) and Financial Express (English Newspaper). The said financial result is further submitted to the National Stock Exchange of India Limited and BSE Limited.

iii. The Management Discussion and Analysis Report is attached and forms part of this Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

a.	**Date, time and venue of Annual General Meeting of Shareholders**	Wednesday, July 31, 2019 at 3:00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai - 400 049.
b.	**Financial Year**	The Company follows April-March as its financial year. The results for every quarter beginning from April are declared as per the SEBI (LODR).
c.	**Dividend Payment Date**	The Board of Directors of the Company have not recommended any dividend for the financial year ended 31st March, 2019.
d.	**Listing Information**	The Company's equity shares are listed on National Stock Exchange of India Limited and BSE Limited. National Stock Exchange of India Limited Address: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400051 (Code: HATHWAY) BSE Limited Address: P.J. Towers, 1st Floor, Dalal Street, Mumbai-400001 (Code: 533162) ISIN: INE982F01036 Annual listing fee for the financial year 2018-19 shall be paid to National Stock Exchange of India Limited and BSE Limited.
e.	**Address for Correspondence**	**For General Correspondence:** Mr. Ajay Singh-Head Corporate Legal, Company Secretary and Chief Compliance Officer 805/806, Windsor, Off C.S.T Road, Kalina, Santacruz (East), Mumbai-400098. **For matters related to Share transfers, Dematerialization etc.:** Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikroli West, Mumbai-400083 Tel: (022) 49186000 Fax : (022) 49186060.

f.	**Registrar and Transfer agents**	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083 Tel: (022) 49186000 Fax : (022) 49186060
g.	**Share Transfer System**	Shares sent for physical transfer are generally registered and disposed of within a period of 15 days from the date of receipt, if the documents are complete in all respects. The Board of Directors of the Company is authorized to approve the share transfers.
h.	**Plant Locations**	The Company is not engaged in manufacturing activities.

i. Stock Market Price Data:

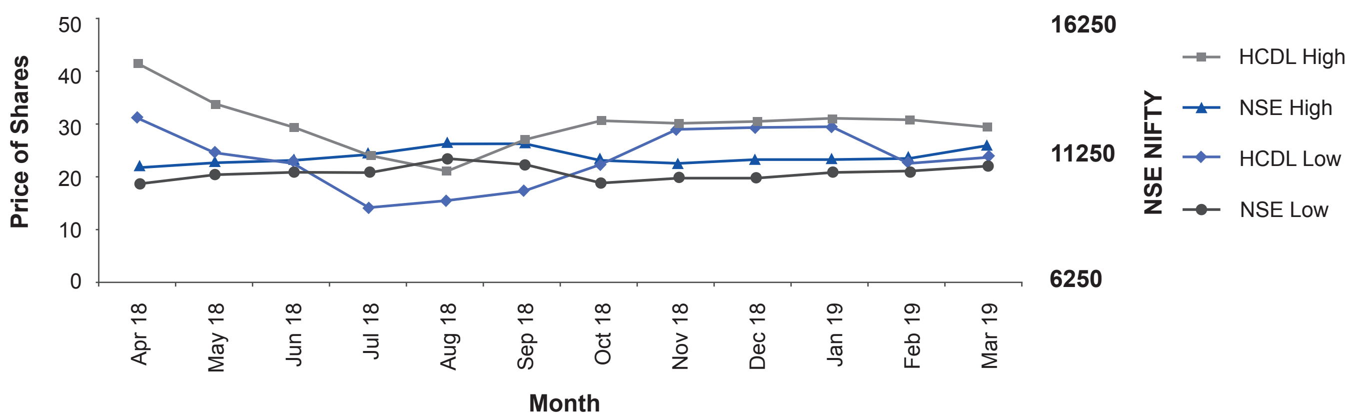
National Stock Exchange of India Limited

Monthly High and Low of Closing prices of the Company's Equity Shares traded at National Stock Exchange of India Limited for the financial year ended 31st March, 2019 is given below:

Performance in comparison to NSE Nifty:

Month	NSE Nifty (High)	NSE Nifty (Low)	High Price	Low Price
Apr 2018	10759.00	10111.30	43.10	32.05
May 2018	10929.20	10417.80	35.40	25.80
Jun 2018	10893.25	10550.90	30.75	23.45
Jul 2018	11366.00	10604.65	25.25	15.10
Aug 2018	11760.20	11234.95	22.50	16.50
Sep 2018	11751.80	10850.30	27.80	18.10
Oct 2018	11035.65	10004.55	32.35	22.95
Nov 2018	10922.45	10341.90	31.45	29.85
Dec 2018	10985.15	10333.85	31.35	30.30
Jan 2019	10987.45	10583.65	32.00	30.60
Feb 2019	11118.10	10585.65	32.15	23.25
Mar 2019	11630.35	10817.00	30.80	24.80

Monthly High-Low Share Price/NSE NIFTY



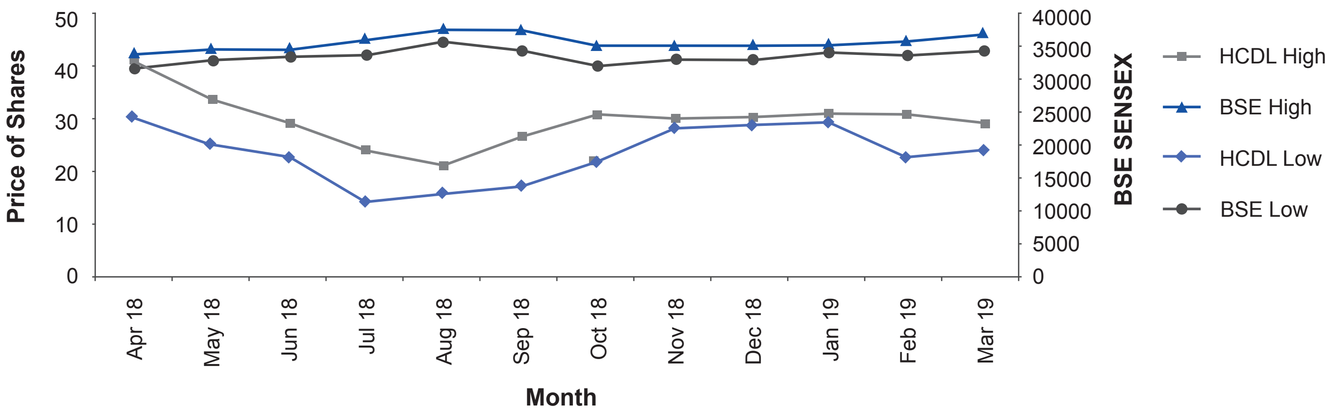
BSE Limited

Monthly High and Low of closing prices of the Company's Equity Shares traded at BSE Limited for the financial year ended 31st March, 2019 is given below:

Performance in comparison to BSE Sensex:

Month	BSE SENSEX (High)	BSE SENSEX (Low)	High Price	Low Price
Apr 2018	35213.30	32972.56	42.70	32.00
May 2018	35993.53	34302.89	35.40	26.00
Jun 2018	35877.41	34784.68	30.70	23.80
Jul 2018	37644.59	35106.57	25.20	15.15
Aug 2018	38989.65	37128.99	22.50	16.60
Sep 2018	38934.35	35985.63	27.90	18.10
Oct 2018	36616.64	33291.58	32.45	22.95
Nov 2018	36389.22	34303.38	31.50	29.85
Dec 2018	36554.99	34426.29	31.30	30.30
Jan 2019	36701.03	35375.51	32.15	30.55
Feb 2019	37172.18	35287.16	32.20	23.65
Mar 2019	38748.54	35926.94	30.60	24.80

Monthly High-Low Share Price/BSE SENSEX



j. a) **Distribution of Shareholding as on 31st March, 2019:**

Range	No. of Shareholders	% of Total Share holders	Share Amount (₹)	% of Total Share Capital
1 – 1000	23,030	79.8627	6,792,092	0.19
1001 -- 2000	2,849	9.8797	4,974,496	0.14
2001 -- 4000	1,423	4.9346	4,664,762	0.13
4001-- 6000	451	1.5640	2,365,308	0.07
6001 -- 8000	214	0.7421	1,553,760	0.04
8001 -- 10000	268	0.9294	2,604,168	0.07
10001--20000	303	1.0507	4,648,862	0.13
20001 & above	299	1.0369	3,512,605,552	99.22
Total	**28,837**	**100.00**	**3,540,209,000**	**100.00**

b) **Category wise Distribution Schedule as on 31st March, 2019:**

Sr. No.	Category	No. of Shares held	%
1.	Directors	240,993,315	13.6146
2.	Corporate Bodies (Promoter Companies)	1,424,596,230	80.4809
3.	Clearing Members	704,350	0.0398
4.	Other Bodies Corporate	10,152,101	0.5735
5.	Foreign Company	18,082,822	1.0216
6.	Financial Institutions	416,849	0.0235
7.	Foreign Portfolio Investors (Corporate)	35,857,008	2.0257
8.	Mutual Funds	206,121	0.0116
9.	Non Nationalised Banks	166,239	0.0094
10.	Non Resident Indians	11,671,645	0.6594
11.	Non Resident Indians (Non Repatriable)	144,726	0.0082
12.	Public	22,986,458	1.2986
13.	Hindu Undivided Family	1,034,065	0.0584
14.	NBFCs registered with RBI	30,570	0.0017
15.	Nationalised Banks	1,508	0.0001
16.	Alternate Investment Funds	3,060,493	0.1729
	Total	**1,770,104,500**	**100.00**

k. Dematerialization of Shares and liquidity:

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

As on 31st March, 2019, except 15 equity shares, all the shares are held in dematerialized form.

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

m. Details as per clause F of Schedule V of SEBI (LODR):

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

Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1st April, 2018		Details of Shareholders approached during the FY 2018-19 for claiming of shares		Details of Shareholders to whom the shares have been transferred during the FY 2018-19		Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March, 2019	
No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares
11	4,250	-	-	-	-	11	4,250

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

n. List of all credit ratings obtained by the Company along with any revisions thereto during the financial year 2018-19 for all debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

As per India Ratings & Research, the Company's rating is as below:

1) IND A- (Long term)/ RWP (Rating Watch Positive)

2) IND A2+ (Short term)/ RWP (Rating Watch Positive)

10. OTHER DISCLOSURES

a) Related Party Transactions:

There are no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large. The transactions mentioned under the Section of Notes to Accounts which forms part of the Auditors' Report for the year ended 31st March, 2019 are non-material in nature.

The policy on dealing with the related party transaction and for determining material subsidiary is uploaded on the website, the link of which is given below:

http://www.hathway.com/assets/pdf/Policies/Related%20Party%20Transaction%20Policy_2014-15_13.11.2014.pdf

http://www.hathway.com/assets/pdf/Policies/Policy%20on%20material%20subsidiaries_2014-15_11.02.2015.pdf

b) Details of Non-Compliance by the Company:

There has not been any non-compliance by the Company and no penalties or strictures were imposed by the Stock Exchanges, SEBI or any other statutory authority in relation to any matter connected to capital markets, during the last three years.

c) Whistle Blower Policy and Access of personnel to the Audit Committee:

The Company has framed a Whistle Blower Policy. The Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee.

d) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance Clause of SEBI (LODR). The Company has not implemented the non-mandatory requirements as specified in Part E of Schedule II of SEBI (LODR).

e) Disclosure of Commodity Price Risks and Commodity hedging activities:

The Company does not deal in Commodities.

f) Details of utilization of funds raised through preferential allotment:

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

Sr. No.	Date of Allotment	Name of the Allottee	Number of Equity Shares	Amount (₹)
1.	29/08/2018	Hathway Investments Private Limited	30,800,000	996,380,000
2.	30/01/2019	Jio Content Distribution Holdings Private Limited	534,698,609	17,297,500,001
3.	30/01/2019	Jio Internet Distribution Holdings Private Limited	214,296,755	6,932,500,024
4.	30/01/2019	Jio Cable and Broadband Holdings Private Limited	159,814,636	5,170,003,475
TOTAL			**939,610,000**	**30,396,383,500**

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

Sr. No.	Purpose	Amount Utilized (₹)
1	General Corporate Purpose	996,380,000
	Balance to be utilized	29,400,003,500

g) Certificate from Company Secretary in Practice:

The Company has obtained a certificate from M/s. Rathi and Associates, Company Secretaries that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, which forms part of this Report as **Annexure - A**.

h) Recommendation by any Committee of the Board of Directors of the Company:

During financial year 2018-19, the Board of Directors of the Company has accepted all recommendations, if any, received from its Committees.

i) Fee to Statutory Auditor:

During the year, an amount of ₹ 7,722,500/- (Rupees Seventy-Seven Lakhs Twenty-Two Thousand and Five Hundred only) was paid to M/s. Nayan Parikh & Co. the statutory auditor of the Company for all services rendered by it to Company, its subsidiaries, and all entities in the network firm/network entity of which the statutory auditor is a part, on a consolidated basis.

j) Information in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with the provision relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of Complaints filed during FY 2018-19	Number of Complaints disposed of during FY 2018-19	Number of Complaints pending as on FY 2018-19
1	1	Nil

k) Compliance with Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR):

The Company has on a timely basis disclosed the compliance as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) to the extent it is applicable to the Company except for the point mentioned in 11(b).

o. CEO/CFO CERTIFICATION

As required under Part B of Schedule II read with Regulation 17(8) of SEBI (LODR), the Managing Director of the Company has certified to the Board regarding his review on the Financial Statements, Cash Flow Statement and other matters related to internal controls in the prescribed format for the year ended 31st March, 2019.

CODE OF CONDUCT DECLARATION

Pursuant to the provisions of SEBI (LODR), the Board members and Senior Management Personnel of the Company have confirmed compliance with the Code of Conduct of the Company.

sd/-
RAJAN GUPTA
Managing Director
DIN: 07603128

Place: Mumbai
Date: 15th April, 2019

To,
The Members,
HATHWAY CABLE AND DATACOM LIMITED

CORPORATE GOVERNANCE CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by **HATHWAY CABLE AND DATACOM LIMITED** ("Company") for the financial year ended 31st March, 2019, as stipulated in Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchanges in India.

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

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

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

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

For RATHI & ASSOCIATES
COMPANY SECRETARIES

HIMANSHU S. KAMDAR
PARTNER
FCS : 5171
COP: 3030

Place: Mumbai
Date: 15th April, 2019

ANNEXURE - A

Date: April 15, 2019

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

Dear Sirs,

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

Hathway Cable and Datacom Limited ("the Company") is Public Limited Company incorporated under the provisions of the erstwhile Companies Act, 1956 and whose equity shares are listed on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE), has approached us to issue certificate confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority and based on the individual confirmations received from the Board of Directors of the Company who are in their respective office as on 31st March, 2019 viz.

Sr. No.	Name of the Director	DIN
1.	Mr. Akshay Raheja	00288397
2.	Ms. Ameeta Parpia	02654277
3.	Mr. Anuj Jain	08351295
4.	Mr. Devendra Shrotri	02780296
5.	Ms. Geeta Fulwadaya	03341926
6.	Mr. Rajan Gupta	07603128
7.	Mr. Sasha Mirchandani	01179921
8.	Mr. Saurabh Sancheti	08349457
9.	Mr. Sridhar Gorthi	00035824
10.	Mr. Viren Raheja	00037592

and we certify that:

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

This certificate is issued by us only for the purpose of disclosure to be furnished in the Corporate Governance Report of the Company for the financial year ended 31st March, 2019, pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and should not be used for any other purpose.

For RATHI AND ASSOCIATES
COMPANY SECRETARIES

JAYESH SHAH
PARTNER

FCS:5637
CP: 2535
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of Hathway Cable and Datacom Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of **Hathway Cable and Datacom Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

EMPHASIS OF MATTER

We draw your attention to Note 2.06 and 3.08 in respect of recognition of deferred tax assets and exceptional items comprising of impairment of trade receivables and exposure to certain entities including joint ventures; and write down of property, plant and equipments respectively. Our opinion is not modified in respect of these matters

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. VALUATION AND DISCLOSURE OF DEFERRED TAX ASSETS

Description of Key Audit Matter

The Company has a significant amount of deferred tax assets, mainly resulting from unused tax losses and unabsorbed depreciation allowance. The accounting for deferred tax assets is significant to our audit since the Company makes judgements and estimates of forecasted taxable income in relation to the realization of deferred tax assets.

As at March 31, 2019, the deferred tax assets are valued at ₹267.67 crores. Further reference is made to Note 2.06.

Our response

We tested management's assumptions used to determine that there is a reasonable certainty that deferred tax assets recognized in the balance sheet will be realized. This is based upon forecasted taxable income and the periods when the deferred tax assets can be utilized. The forecasts were evaluated by us considering the recent capital infusion and related business plans approved by the Management. Such evaluation included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies. Furthermore, considering the conditions specified in the tax laws, on conservative basis, no deferred tax assets has been recognised on impairment of trade receivables.

We have also tested the effectiveness of the Company's internal controls around the valuation of deferred tax assets. We also assessed the adequacy of the Company's disclosures included in Note 2.06.

2. IMPAIRMENT OF TRADE RECEIVABLES

Description of Key Audit Matter

Refer to Note 2.10 on trade receivables and Note 4.12 for disclosures on the trade receivables and the related risks such as credit risk.

The Company's major revenue stream arises from services provided to end use customers in the form of monthly subscription income. The trade receivables on account of subscription income are typically unsecured and derived from sales made to large number of independent customers. Trade receivables from the subscribers amounted to ₹56.80 crores as at March 31, 2019.

The collectability of trade receivables from the subscribers is a key element of the Company's working capital management. The Company follows a simplified approach (i.e. based on lifetime Expected Credit Loss model (ECL)) for recognition of impairment loss allowance on trade receivables. For the purpose of measuring the lifetime ECL allowance for trade receivables, the Company uses a provision matrix which comprise a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. In addition, in case there are events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.

Our response

We assessed the Company's processes and controls relating to the monitoring of trade receivables and considered ageing to identify collection risks. We obtained evidence of receipts subsequent to the year-end from the customers. We assessed management's assumptions used to calculate the impairment loss on trade receivables, through analyses of ageing of receivables, assessment of significant overdue trade receivables. We assessed the overall reasonableness of the allowance for doubtful debts by comparing the actual loss trends across periods against the allowance rate applied. We assessed the adequacy of the disclosures on the trade receivables and the related risks such as credit risk in Note 4.12.

3. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Description of Key Audit Matter

There is a risk of impairment on the Company's property, plant and equipment (PPE) due to the nature of its PPE and the business environment surrounding the PPE. As on March 31, 2019, the carrying amount of PPE was ₹751.75 crores which represent 13.53% of total assets.

The management determines at the end of each reporting period the existence of any objective evidence that the Company's PPE may be impaired. If there are indicators of impairment, the deficit between the recoverable amount of the PPE and its carrying amount would be recognised as impairment loss in Statement of Profit and Loss.

The process of identifying indicators of impairment and determining the recoverable amount of the PPE by management requires significant judgement and estimation. The determination of the recoverable amounts requires estimates of forecasted revenues, growth rates, profit margins, tax rates and discount rates.

Our response

We assessed the determination of the recoverable amount of the PPE based on our understanding of the nature of the Company's business and the economic environment in which its PPE operate.

We reviewed the Company's historical performances and held discussions with management to understand their assessment of the Company's future performance. This included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies and cost initiatives. We assessed management's estimates applied in the value-in-use model based on our knowledge of the Company's operations and compared them against historical forecasts and performance and tested the mathematical accuracy of the value-in-use model. We evaluated the sensitivity of the outcomes by considering the downside scenarios against changes to the key assumptions. We also assessed the adequacy of the related disclosures in the notes to the standalone financial statements.

4. IMPAIRMENT OF CARRYING COST OF INVESTMENTS AND NET RECEIVABLES FROM SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Description of Key Audit Matter

Refer to Notes 1.07, 1.11 and 1.12 for the relevant accounting policy and the critical judgements, assumptions and estimation uncertainties used in impairment assessment of cost of investments in subsidiaries, joint ventures and associates and net receivables due from such entities at the reporting year end. Refer to Note 2.03 and 4.14 for the investment in subsidiaries, joint ventures and associates and amount due from such entities respectively.

Total carrying cost of investment in subsidiaries, joint ventures and associates amounted to ₹1,088.62 crores and amount due from subsidiaries, joint ventures and associates amounted to ₹150.48 crores. As these balances are significant, they are a key focus area for our audit.

For the non-performing subsidiaries, joint ventures and associates or if they have significant negative equity balances, the Company will have exposure to loss on cost of investments and amount due from the subsidiaries, joint ventures and associates. Any impairment losses on the investments in subsidiaries, joint ventures and associates and the related receivables from these entities have to be recognised in the standalone financial statements.

Management made a comparison of carrying values of the subsidiaries, joint ventures and associates with the Company's share of net assets or liabilities of the subsidiaries, joint ventures and associates to identify indications of impairment loss on these investments and receivables due from them. A total exposure of ₹1,239.10 crores was considered. This amount comprised ₹8.11 crores impairment of cost of investment in subsidiaries, joint ventures and associates and ₹62.11 crores impairment of net receivables from subsidiaries, joint ventures and associates. The total impairment loss allowance for the year was ₹70.22 crores.

Our response

We have reviewed and considered management's assessment on the net assets or liabilities of these entities. We have also assessed management's basis to determine potential impairment in both financial and non-financial assets of these entities. We also had discussions with management on the prospects and future plans of these entities.

We have also assessed the adequacy of the disclosures made in the standalone financial statements.

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

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its standalone financial statements - Refer Note 4.02 (e) to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 4.02(d) to the standalone financial statements; and

iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund.

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W

K.Y. Narayana
Partner
Membership No. 060639

Place: Mumbai
Dated: April 15, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

(i) (a) The Company has maintained records of Property, Plant and Equipment showing particulars of assets including quantitative details and location except in case of certain types of distribution equipments like cabling, line equipments, access devices with end users. In view of the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;

(b) Distribution equipments like cabling and other line equipments of selected networks were verified. The management plans to verify balance networks in a phased manner. Property, Plant and Equipment, other than distribution equipments and access devices with the end users were physically verified during the year based on verification programme adopted by the management. As per this programme, all assets will be verified at least once in a period of three years. The management has represented that physical verification of access devices with the end users is impractical; however, the same can be tracked, in case of most of the networks, through subscribers management system;

The Company is in the process of reconciling book records with outcome of physical verification, wherever physical verification was carried out and have accounted for the discrepancies observed on such verification;

(c) The Company does not hold any immovable properties. Accordingly, the paragraph 3(i)(c) of the Order regarding title deeds of immovable properties is not applicable;

(ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable;

(b) The discrepancies noticed on physical verification as compared to the book records were not material having regards to size and nature of operations and have been properly dealt with in the books of account;

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(a), (b) and (c) of the Order are not applicable;

(iv) Based on the audit procedures applied by us, during the year under audit, the Company has not granted loans, guarantee and security or made investments which require compliance in terms of the provisions contained in the section 185 or section 186 of the Act. The Management has, based on legal opinion, represented that overdue book debts are not in the nature of loan and hence do not fall within the scope of section 185 of the Act. In such circumstances, para 3(iv) of the Order is not applicable;

(v) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;

(vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the services rendered by the Company. We have broadly reviewed the books of account maintained and in our opinion; prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete;

(vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2019, for a period of more than six months from the date they became payable;

(b) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited with the concerned authorities on account of dispute are given below:

Sr No	Name of the Statute	Nature of the Dues	Amount involved (in crores)	Period to which the amount relates	Forum where dispute is pending
1	Finance Act, 1994	Service Tax	0.04	April 2003 to March 2004	Commissioner (Appeals), Service Tax
2	Finance Act, 1994	Service Tax	3.70*	2003-04 to 2006-07	Additional Commissioner Service Tax
3	Karnataka Value Added Tax Act, 2003	Value Added tax	1.61	April 2011 - March 2013	Deputy Commissioner of Commercial taxes
4	Karnataka Value Added Tax Act, 2003	Value Added tax	0.57	April 2012 - March 2013	Deputy Commissioner of Commercial taxes
5	West Bengal Value Added Tax Act, 2003	Entry tax	0.03	April 2015 - March 2016	Deputy Commissioner of Commercial taxes
6	West Bengal Value Added Tax Act, 2003	Entry tax	0.01	April 2014 - March 2015	Deputy Commissioner of Commercial taxes

* Amount partly paid amounting to ₹ 0.28 crores

(viii) Based on our audit procedure and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions, banks, and government. The Company has not issued any debentures;

(ix) In our opinion and according to the information and explanations given to us and based on overall examination of records, the term loans have been applied for the purpose for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments);

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act;

(xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company;

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;

(xiv) During the year, according to the information and explanations given to us, the Company has made preferential allotment of shares during the period under review, the requirement of section 42 of the Act, as applicable has been complied with. However, pending such utilization, these funds have been temporarily utilized by investment in mutual funds.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, the Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company; and

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W

K.Y. Narayana
Partner
Membership No. 060639

Place: Mumbai
April 15, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2019

OPINION

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W

K.Y. Narayana
Partner
Membership No. 060639

Place: Mumbai
Dated: April 15, 2019

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2019

(₹ in Crores unless otherwise stated)

	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	2.01	751.75	740.73
Capital work in progress		51.56	39.07
Other Intangible assets	2.02	51.98	18.41
Financial Assets			
Investments	2.03	1,083.73	1,089.74
Loans	2.04	23.91	27.67
Other financial assets	2.05	13.03	15.55
Deferred tax assets (net)	2.06	267.67	-
Other Non-current assets	2.07	43.95	88.44
Total Non-current assets		**2,287.58**	**2,019.61**
Current assets			
Inventories	2.08	12.98	15.64
Financial Assets			
Investments	2.09	2,993.56	-
Trade receivables	2.10	6.50	30.18
Cash and cash equivalents	2.11	53.12	4.47
Bank balances other than Cash and cash equivalents	2.12	50.00	-
Loans	2.04	80.25	65.51
Other financial assets	2.05	1.98	0.81
Current Tax Assets (Net)	2.13	42.54	-
Other current assets	2.07	29.61	39.89
Total Current assets		**3,270.54**	**156.50**
Total Assets		**5,558.12**	**2,176.11**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2.14	354.02	166.10
Other Equity	2.15	3,948.03	887.80
Total Equity		**4,302.05**	**1,053.90**
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
Borrowings	2.16	800.18	483.20
Other financial liabilities	2.17	9.63	6.75
Provisions	2.18	2.78	0.83
Other Non-current liabilities	2.19	3.38	2.86
Total Non-current liabilities		**815.97**	**493.64**
Current liabilities			
Financial Liabilities			
Borrowings	2.16	2.40	30.44
Trade payables			
Total outstanding dues of:		-	-
-Micro & small enterprises			
-Other		43.98	48.36
Other financial liabilities	2.17	308.00	458.29
Provisions	2.18	0.30	2.03
Other current liabilities	2.19	85.42	89.45
Total current liabilities		**440.10**	**628.57**
Total Equity and Liabilities		**5,558.12**	**2,176.11**
Summary of Significant Accounting Policies	1		

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

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

For and on behalf of the Board

(K.Y. Narayana)
Partner
Membership No: 060639

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

(Ajay Singh)
Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

Place: Mumbai
Date: April 15, 2019

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
INCOME			
Revenue from Operations	3.01	527.63	544.54
Other Income	3.02	54.86	11.97
		582.49	**556.51**
EXPENDITURE			
Operational Expenses	3.03	122.54	128.99
Employee Benefits Expense	3.04	49.84	41.91
Finance Cost	3.05	102.58	78.34
Depreciation, Amortization and Impairment	3.06	115.92	97.19
Other Expenses	3.07	164.14	148.63
		555.02	**495.06**
Profit / (Loss) before Exceptional items and Tax		**27.47**	**61.45**
Exceptional Items	3.08	84.54	(16.21)
Profit / (Loss) before Tax		**(57.07)**	**77.66**
Tax Expense:			
Current Tax		-	-
Deferred Tax	2.06	(267.67)	-
Profit / (Loss) for the Year (A)		**210.60**	**77.66**
Other Comprehensive Income / (Loss) (Net of Taxes)			
Items that will not be reclassified to profit or loss			
Re-measurements of post employment benefit obligations		(0.22)	1.26
Net gain on financial assets measured at FVTOCI		1.07	-
Income tax relating to these items		-	-
Other Comprehensive Income / (Loss) for the year (B)		**0.85**	**1.26**
Total Comprehensive Income / (Loss) for the year (A+B)		**211.45**	**78.92**
Earnings / (Loss) per equity share (Face value of ₹ 2/- each) (Refer Note 4.01):			
Basic and diluted (in ₹)		2.08	0.94
Summary of Significant Accounting Policies	1		

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

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

For and on behalf of the Board

(K.Y. Narayana)
Partner
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Place: Mumbai
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Date: April 15, 2019

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
Balance at April 01, 2017	2.14	166.10
Changes in Equity Share Capital during the year		-
Balance at March 31, 2018	2.14	166.10
Changes in Equity Share Capital during the year		187.92
Balance at March 31, 2019	2.14	354.02

B. OTHER EQUITY

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained earnings	
Balance at April 01, 2017	**1,877.01**	**(1,068.12)**	**808.89**
Profit / (Loss) for the year	-	77.66	77.66
Other Comprehensive Income / (Loss) for the year	-	1.26	1.26
Balance at March 31, 2018	**1,877.01**	**(989.21)**	**887.80**
Profit / (Loss) for the year	-	210.60	210.60
Other Comprehensive Income / (Loss) for the year	-	0.85	0.85
Addition during the year (Net of Share Issue Expenses amounting to ₹ 2.94 adjusted against Securities Premium)	2,848.78	-	2,848.78
Balance at March 31, 2019	**4,725.79**	**(777.76)**	**3,948.03**

Summary of Significant Accounting Policies (Refer Note 1)

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

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

(K.Y. Narayana)
Partner
Membership No: 060639

Place: Mumbai
Date: April 15, 2019

For and on behalf of the Board

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

(Ajay Singh)
Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018
Cash flow from operating activities		
Profit / (Loss) before Tax	**(57.07)**	**77.66**
Depreciation, Amortization and Impairment	115.92	97.19
Amount no longer payable written back	(0.02)	*
Impairment of trade receivables	2.40	12.00
Provision for leave encashment and gratuity	0.71	1.69
Share of loss from LLP	0.20	0.79
Net Sundry Advances Written Off	0.04	0.05
Unrealised foreign exchange loss / (gain)	(1.48)	0.21
MTM (gain) / loss on swap	0.04	(0.83)
Loss on disposal of Property, Plant and Equipment	4.49	0.09
Net gain on financial assets measured at fair value through profit and loss	(41.59)	(0.68)
(Gain) / Loss on sale of Non - current investments	-	(16.21)
Unwinding of Interest & Financial Guarantees	(2.17)	(2.96)
Income from Fixed Deposit / Loans	(6.72)	(4.03)
Dividend Income from associate	(4.20)	(4.20)
Interest and finance charges	102.58	83.17
Impairment of trade receivables & exposure to certain entities including Joint Ventures **	49.74	-
Write down to Property Plant and Equipments **	8.93	-
Expenses relating to equity infusion **	25.87	-
	197.67	**243.96**
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	(2.90)	(18.02)
Decrease/(increase) in inventories	2.66	4.48
Increase/(decrease) in trade payables	(2.87)	1.82
Decrease/(increase) in other financial assets	4.09	(1.64)
Decrease/(increase) in other non-current assets	(4.77)	(0.88)
Decrease/(increase) in other current assets	10.27	12.94
Increase/(decrease) in provisions	0.01	(1.43)
Increase/(decrease) in other liabilities	(4.26)	(27.94)
Increase/(decrease) in other financial liabilities	(8.13)	(2.86)
Cash generated from operations	**191.77**	**210.45**
Less/(Add): Income taxes paid (net of refunds)	2.70	4.76
Net cash flow from / (used in) operating activities (A)	**189.07**	**205.69**
Cash flow from investing activities		
Payments for acquisition of Property, Plant and Equipment	(200.02)	(155.76)
Loans & advances given to related parties & Others	(22.28)	-
Loans & advances repaid by related parties & Others	1.09	2.07
Investment in related parties	0.02	(354.05)
Payment for purchase of investments-Mutual Funds	(7,640.41)	-
Proceeds from sale of investments-Mutual Funds/others	4,688.44	114.42
Proceeds from transfer of Cable Television business	-	272.00
Proceeds from sale of Property, Plant and Equipment	0.18	0.02
Invested in fixed deposits	(50.40)	-
Fixed Deposit redeemed during the year	0.40	-
Income from Fixed Deposit / Loans	5.52	3.34
Income from associate received	4.20	4.20
Net cash flow from / (used in) investing activities (B)	**(3,213.26)**	**(113.76)**

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018
Cash flows from financing activities		
Proceeds from Issue of Equity Shares	3,039.64	-
Expenses relating to equity infusion	(25.87)	-
Share issue expenses paid	(2.94)	-
Proceeds from Non - current Borrowings	528.58	394.05
Repayments of Non - current Borrowings	(335.72)	(400.69)
Current borrowings (Net)	(22.47)	2.53
Interest and finance charges	(102.81)	(82.71)
Net cash flow from / (used in) in financing activities (C)	**3,078.41**	**(86.83)**
Net increase / (decrease) in cash and cash equivalents (A+B+ C)	**54.22**	**5.10**
Cash and cash equivalents at the beginning of the year	4.47	13.79
Bank overdrafts at the beginning of the year	(5.57)	(20.00)
Cash and cash equivalents at the end of the year	**53.12**	**(1.10)**
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents		
Balances with banks:		
On current accounts	22.14	3.17
Deposits with banks with original maturity of 3 months or less	30.11	-
Cash on hand	0.87	1.30
Bank overdrafts	-	(5.57)
Balance as per the cash flow statement :	**53.12**	**(1.10)**

* Amount less than ₹ 50,000

** Refer Note No. 4.05

Note :

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

2) Changes in liabilities arising from financing activities:

Particulars	As at March 31, 2018	Net Cash Flows	Non cash changes		As at March 31, 2019
			Foreign Exchange movement (Gain)/Loss	Fair value changes	
Non - current borrowings (including current maturities of Non-current Borrowings)	789.01	192.86	-	0.08	981.79
Current borrowings	24.87	(22.47)	-	-	2.40
Total liabilities from financing activities	**813.88**	**170.39**	**-**	**0.08**	**984.19**

Particulars	As at March 31, 2017	Net Cash Flows	Non cash changes		As at March 31, 2018
			Foreign Exchange movement (Gain)/Loss	Fair value changes	
Non - current borrowings (including current maturities of Non-current Borrowings)	794.49	(6.64)	1.15	-	789.01
Current borrowings	22.40	2.53	-	0.06	24.87
Total liabilities from financing activities	**816.89**	**(4.11)**	**1.15**	**0.06**	**813.88**

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

For and on behalf of the Board

(K.Y. Narayana)
Partner
Membership No: 060639

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

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Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

Place: Mumbai
Date: April 15, 2019

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

BACKGROUND

Hathway Cable and Datacom Limited ("the Company") is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956.The Company is engaged in distribution of internet services through cable and has strategic stake in entities engaged in Cable Television business. Its equity shares are listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) in India.

Authorization of standalone financial statements

The standalone financial statements were authorized for issue in accordance with a resolution of the Board of directors on April 15, 2019

1.00 SIGNIFICANT ACCOUNTING POLICIES

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

1.01 BASIS OF PREPARATION

(i) Compliance with Ind AS

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

(ii) Historical cost convention

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

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

1.02 ROUNDING OF AMOUNTS

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

1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

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

An asset is classified as current if:

(i) it is expected to be realised or intended to be sold or consumed in normal operating cycle;

(ii) it is held primarily for the purpose of trading;

(iii) it is expected to be realised within twelve months after the reporting period; or

(iv) the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(i) it is expected to be settled in normal operating cycle;

(ii) it is held primarily for the purpose of trading;

(iii) it is due to be settled within twelve months after the reporting period; or

(iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

All other liabilities are classified as non-current.

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

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

1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

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

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

Key assumptions

(i) Financial instruments; (Refer note 4.11)

(ii) Useful lives of Property, Plant and Equipment and Intangible Assets; (Refer note 1.05 and 1.06)

(iii) Assets and obligations relating to employee benefits; (Refer note 4.06)

(iv) Evaluation of recoverability of deferred tax assets; (Refer note 2.06) and

(v) Contingencies (Refer note 4.02).

1.05 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment acquired separately

(i) Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable taxes, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, finance cost. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

(ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

(iii) Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalized or treated as sale, as the case may be.

(iv) The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(v) Stores & Spares which meet the definition of Property Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.

Derecognition of Property, Plant and Equipment

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

Depreciation on Property, Plant and Equipment

(vii) Depreciation on Property, Plant and Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the cost of Access devices at the customer's location which are depreciated on straight-line method over a period of eight years based on internal technical assessment.

(viii) In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.

(ix) All assets costing up to ₹ 5,000/- are fully depreciated in the year of capitalisation.

Deemed cost for Property, Plant and Equipment

The Company had elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as of the date of transition to Ind AS measured as per the previous GAAP and use that carrying value as it's deemed cost as of the transition date.

1.06 INTANGIBLE ASSETS

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

Intangible Assets acquired separately

Intangible assets comprises of Network Franchisee, Bandwidth Rights, Goodwill, Customer Acquisition Cost and Softwares.

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

Intangible Assets acquired in business combination

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

Derecognition of intangible assets

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Amortisation of intangible assets

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

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

- Network Franchisee are amortised over the period of five to twenty years.
- Softwares are amortised over the license period and in absence of such tenor, over five years.
- Bandwidth Rights are amortised over the period of the underlying agreements.
- Customer acquisition costs are amortised over the period of five years..

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

Deemed cost for Intangible assets

The Company had elected to continue with the carrying value of all of its Intangible assets recognised as of the date of transition to Ind AS measured as per the previous GAAP and use that carrying value as it's deemed cost as of the transition date.

1.07 IMPAIRMENT OF ASSETS

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

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

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

1.08 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

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

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

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

1.09 INVENTORIES

Inventories are valued as follows:

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

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

1.10 CASH AND CASH EQUIVALENTS

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

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

1.11 FINANCIAL INSTRUMENTS

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

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

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

Classification and Subsequent Measurement: Financial Assets

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

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

Amortised Cost:

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FVTOCI:

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

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

FVTPL:

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

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

Impairment of Financial Assets

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

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

Classification and Subsequent measurement: Financial Liabilities

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

Financial Liabilities at FVTPL:

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

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

Other Financial Liabilities:

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

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

Derecognition of Financial Assets and Financial Liabilities:

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Offsetting Financial Instruments:

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

1.12 INVESTMENT IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

A subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

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

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

1.13 BORROWING COSTS

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

1.14 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

Contingent liabilities are disclosed in the case of:

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

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

1.15 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

(i) Short-term obligations

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

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

Gratuity obligations

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

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

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

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

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

Defined contribution plans

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

(iii) Other long-term employee benefit obligations

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

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

(iv) Bonus Plans

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

1.16 REVENUE RECOGNITION

(i) **Income from rendering of services and sale of products**

The Company derives revenues primarily from Broadband business comprising of Internet services and other allied services.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time. While invoicing in excess of revenue are classified as contract liabilities (which we refer to as unearned revenue).

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

(ii) Other Operating Income

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

(iii) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

(iv) Dividend Income

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

(v) Share of profit / loss from Partnership firms

Share of profit / loss from Partnership firm is recognised in the Statement of Profit and Loss in respect of the financial year of the Partnership firm ending on or before the balance sheet date, on the basis of its audited accounts.

1.17 TAXES ON INCOME

Current Tax:

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

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

Deferred tax:

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

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

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

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

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

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

1.18 EARNINGS PER SHARE (EPS)

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

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

1.19 LEASES

The determination of whether an arrangement is, or contains, a lease based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As a Lessee

Operating Lease

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

1.20 FOREIGN CURRENCY TRANSLATIONS

(i) Functional and presentation currency

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

(ii) Transactions and balances

Monetary items:

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

Non – Monetary items:

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

1.21 FINANCIAL GUARANTEE CONTRACT

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

1.22 BUSINESS COMBINATIONS AND GOODWILL

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

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

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

2.01 PROPERTY, PLANT AND EQUIPMENT :

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:										
Plant and Equipment	883.84	125.23	15.24	993.83	161.97	102.03	5.56	258.44	735.39	721.87
Air conditioners	3.79	0.39	*	4.18	1.43	0.75	*	2.18	2.00	2.36
Structural fittings	2.48	0.24	-	2.72	0.63	0.34	-	0.97	1.75	1.85
Furniture & Fixtures	10.71	0.37	-	11.08	3.39	1.20	-	4.59	6.49	7.32
Mobile & Telephone	0.56	0.03	-	0.59	0.29	0.08	-	0.37	0.22	0.27
Computers	6.48	0.69	*	7.17	4.21	1.27	*	5.48	1.69	2.27
Office Equipments	2.40	0.17	-	2.57	1.28	0.51	-	1.79	0.78	1.12
Electrical Fittings	4.46	0.42	*	4.88	1.22	0.59	*	1.81	3.07	3.24
Motor Vehicles	0.63	-	-	0.63	0.19	0.08	-	0.27	0.36	0.43
Total	**915.35**	**127.54**	**15.24**	**1,027.65**	**174.61**	**106.85**	**5.56**	**275.90**	**751.75**	**740.73**

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2017	Addition	Disposal	As at March 31, 2018	As at April 1, 2017	For the Year	Elimination on disposal	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Own Assets:										
Plant and Equipment	679.12	210.39	5.67	883.84	78.48	85.92	2.43	161.97	721.87	600.64
Air conditioners	2.78	1.04	0.03	3.79	0.77	0.67	0.01	1.43	2.36	2.01
Structural fittings	1.17	1.31	-	2.48	0.35	0.28	-	0.63	1.85	0.82
Furniture & Fixtures	8.71	2.02	0.02	10.71	2.06	1.35	0.02	3.39	7.32	6.65
Mobile & Telephone	0.41	0.15	-	0.56	0.16	0.13	-	0.29	0.27	0.25
Computers	5.77	0.72	0.01	6.48	2.52	1.69	*	4.21	2.27	3.25
Office Equipments	1.61	0.79	*	2.40	0.60	0.68	*	1.28	1.12	1.01
Electrical Fittings	2.89	1.57	*	4.46	0.65	0.57	*	1.22	3.24	2.24
Motor Vehicles	0.58	0.04	*	0.63	0.13	0.06	*	0.19	0.43	0.45
Total	**703.04**	**218.03**	**5.73**	**915.35**	**85.72**	**91.35**	**2.46**	**174.61**	**740.73**	**617.32**

* Amount less than ₹ 50,000/-

Notes :

1 Loss of ₹ 1.33 (March 31, 2018: ₹ 1.14) arising on account of exchange difference on long-term foreign currency borrowings, utilised for purchase of Property, Plant and Equipments has been capitalised and included in "Additions".The Company has also capitalised Finance cost of ₹ 1.26 (March 31, 2018: ₹ Nil)

2 Depreciation charge for the year includes Impairment of Plant and Equipment ₹ 12.84 (March 31, 2018: ₹ 12.20).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

2.02 INTANGIBLE ASSETS :

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Goodwill	0.11	-	-	0.11	0.11	-	-	0.11	-	-
Network Franchisee	6.05	*	-	6.05	1.72	0.43	-	2.15	3.90	4.33
Softwares	21.74	5.68	-	27.42	9.12	4.16	-	13.28	14.14	12.62
Bandwidth Rights	2.12	-	-	2.12	0.66	0.31	-	0.97	1.15	1.46
Customer Acquisition Cost	-	36.96	-	36.96	-	4.17	-	4.17	32.79	-
Total	**30.02**	**42.64**	**-**	**72.66**	**11.61**	**9.07**	**-**	**20.68**	**51.98**	**18.41**

* Amount less than ₹ 50,000/-

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2017	Addition	Disposal	As at March 31, 2018	As at April 1, 2017	For the Year	Elimination on disposal	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Goodwill	0.11	-	-	0.11	0.09	0.02	-	0.11	-	0.02
Network Franchisee	6.05	-	-	6.05	1.09	0.63	-	1.72	4.33	4.96
Softwares	13.23	8.51	-	21.74	4.25	4.87	-	9.12	12.62	8.98
Bandwidth Rights	1.95	0.17	-	2.12	0.34	0.32	-	0.66	1.46	1.61
Total	**21.34**	**8.68**	**-**	**30.02**	**5.77**	**5.84**	**-**	**11.61**	**18.41**	**15.57**

Notes :

1 Amortisation charge for the year includes Impairment of Network Franchisee ₹ Nil (March 31, 2018: ₹ 0.18) and Impairment of Goodwill of ₹ Nil (March 31, 2018: ₹ 0.02)

2 Range of remaining period of amortisation as at March 31, 2019 of Intangible assets is as below :

	0 to 5 years	6 to 10 years	10 to 15 years	Total
Network Franchisee	2.16	1.72	0.02	3.90
Softwares	14.14	-	-	14.14
Customer Acquisition Cost	32.79			32.79
Bandwidth Rights	0.97	0.15	0.03	1.15
Total	**50.06**	**1.87**	**0.05**	**51.98**

3 Refer note no 2.16 (c) for information on Property, Plant and Equipment pledged as security of the group.

4 Refer note no 4.04 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.03 NON-CURRENT INVESTMENTS

	FACE VALUE	March 31, 2019		March 31, 2018	
	₹ Per Unit	Quantity	Amount	Quantity	Amount
Investments (measured at cost)					
Investment in Subsidiaries, Joint Ventures and Associates					
Quoted (fully paid up)					
Investment in Equity Shares of Subsidiary					
Hathway Bhawani Cabletel & Datacom Ltd.	10	2,020,000	2.39	2,020,000	2.39
Less : Impairment in value of investment			0.60		0.60
Investment in Equity Shares of Associate					
GTPL Hathway Ltd. (f.k.a. GTPL Hathway Pvt. Ltd.) #	10	41,972,694	568.55	41,972,694	568.60
			570.34		**570.39**
Unquoted (fully paid up)					
Investment in Equity Shares of Subsidiaries					
Hathway Digital Pvt. Ltd. (f.k.a. Hathway Datacom Central Pvt. Ltd.)	10	355,734,833	432.67	355,734,833	432.67
Hathway Krishna Cables Pvt. Ltd.	10	7,808,333	15.41	7,808,333	15.41
Hathway Mysore Cable Network Pvt. Ltd.	10	1,041,000	10.09	1,041,000	10.09
Hathway Software Developers Pvt. Ltd.	10	758,000	9.53	758,000	9.53
UTN Cable Communications Pvt. Ltd.	10	756,000	4.94	756,000	4.94
Hathway Kokan Crystal Network Pvt. Ltd.	10	145,135	4.68	145,135	4.68
Hathway New Concept Cable & Datacom Pvt. Ltd.	10	150,000	3.23	150,000	3.23
Hathway Broadband Pvt. Ltd.	10	2,500,000	2.50	2,500,000	2.50
Hathway Mantra Cable & Datacom Pvt. Ltd.	10	9,800	2.10	9,800	2.10
Hathway Enjoy Cable Network Pvt. Ltd.	10	10,000	0.01	10,000	0.01
Hathway Media Vision Pvt. Ltd.	10	65,040	-	65,040	-
Ideal Cables Pvt. Ltd.	10	76,020	-	76,020	-
Channels India Network Pvt. Ltd.	10	87,500	-	87,500	-
Vision India Networks Pvt. Ltd.	10	87,700	-	87,700	-
Hathway C-Net Pvt. Ltd.	10	100,000	-	100,000	-
Chennai Cable Vision Network Pvt. Ltd.	10	136,800	-	136,800	-
Hathway Nashik Cable Network Pvt. Ltd.	10	45,300	-	45,300	-
Bee Network & Communication Pvt. Ltd.	10	99,989	-	99,989	-
Win Cable and Datacom Pvt. Ltd.	10	200,000	-	200,000	-
Elite Cable Network Pvt. Ltd.	10	48,000	-	48,000	-
Hathway Space Vision and Cabletel Pvt. Ltd.	10	10,020	-	10,020	-
Hathway Gwalior Cable & Datacom Pvt. Ltd.	10	10,000	-	10,000	-
Hathway JMD Farukhabad Cable Network Pvt. Ltd.	10	10,000	-	10,000	-
Binary Technology Transfers Pvt. Ltd.	100	1,000	-	1,000	-
Hathway Internet Satellite Pvt Ltd.	10	10,000	-	10,000	-
Hathway United Cables Pvt. Ltd.	10	10,000	-	10,000	-
ITV Interactive Media Pvt. Ltd.	100	8,250	-	8,250	-
Liberty Media Vision Pvt. Ltd.	10	10,000	-	10,000	-
			485.16		**485.16**
Investment in Equity Shares of Joint Ventures					
Hathway Sai Star Cable & Datacom Pvt. Ltd.	10	68,850	10.40	68,850	10.40
Hathway MCN Pvt. Ltd.	10	963,000	8.01	963,000	8.01
Hathway Sonali Om Crystal Cable Pvt. Ltd.	10	68,000	5.29	68,000	5.29
Net 9 Online Hathway Pvt. Ltd.	10	5,000	2.01	5,000	2.01
Hathway Dattatray Cable Network Pvt. Ltd.	10	20,400	1.56	20,400	1.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

	FACE VALUE	March 31, 2019		March 31, 2018	
	₹ Per Unit	Quantity	Amount	Quantity	Amount
Hathway Cable MCN Nanded Pvt Ltd	10	1,305,717	1.37	1,305,717	1.37
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	10	51,000	0.97	51,000	0.97
Hathway Palampur Cable & Datacom Pvt. Ltd.	10	15,300	0.68	15,300	0.68
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	10	10,200	0.48	10,200	0.48
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	10	249,000	-	249,000	-
Hathway ICE Television Pvt. Ltd.	10	102,000	-	102,000	-
Hathway Prime Cable & Datacom Pvt. Ltd.	10	229,500	-	229,500	-
Less : Impairment in value of investment			5.78		0.48
			24.99		**30.29**
Investment in Equity Shares of Associates					
Hathway VCN Cablenet Pvt. Ltd.	10	12,520	-	12,520	-
Pan Cable Services Pvt. Ltd.	10	10	-	10	-
Investment in Partnership Firm in the nature of Joint Venture					
Hathway SS Cable & Datacom LLP			1.73		1.73
Less : Impairment in value of investment			1.73		-
Investments measured at amortised cost			**-**		**1.73**
Unquoted					
Investment in Preference Shares of Subsidiary (fully paid up) *					
Hathway Digital Pvt. Ltd. (f.k.a. Hathway Datacom Central Pvt. Ltd.)	10	51,020	0.02	51,020	0.02
Investment in Government Securities					
National Savings Certificates			0.14		0.14
Investment in equity shares of other companies (designated at FVTOCI)					
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	-	47,009	-
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	10	60,000	-	60,000	-
Hathway Patiala Cable Private Limited (f.k.a Hathway Sukhamrit Cable & Datacom Private Limited)	10	71,175	3.08	71,175	2.01
			3.08		**2.01**
Total Non-current Investments			**1,083.73**		**1,089.74**
Aggregate amount of quoted investments			**570.34**		**570.39**
Market Value of quoted investments			**288.71**		**583.97**
Aggregate amount of unquoted investments			**510.31**		**517.35**
Aggregate fair value of investments designated at FVTOCI			**3.08**		**2.01**
Aggregate amount of impairment in value of investments			**8.11**		**1.08**

* 5% Non-Cumulative Redeemable Preference Shares of ₹ 10 each - The carrying value of the equity component included in investment in 5% Non-cumulative Redeemable Preference Shares issued by wholly owned subsidiary Hathway Digital Pvt. Ltd. is ₹ 0.02 (As at March 31, 2018 ₹ 0.02)

Joint venture upto June 30, 2017 and associate thereafter. Shares of the Company were listed on July 04, 2017.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.04 LOANS

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Security Deposits				
Considered good - Unsecured	8.46	7.61	2.93	3.16
(A)	**8.46**	**7.61**	**2.93**	**3.16**
Loans to Related Parties				
Considered good - Unsecured				
Loan to Subsidiaries, Joint Ventures and Associates	15.41	19.81	77.32	62.35
Loan to Firm in which Subsidiaries are partner	-	0.21	-	-
Investment in Preference Share Capital	0.04	0.04	-	-
Loan receivables - credit impaired	79.18	68.64	-	-
	94.63	**88.70**	**77.32**	**62.35**
Less : Provision for impairment	79.18	68.64	-	-
(B)	**15.45**	**20.06**	**77.32**	**62.35**
Other Loans				
Loan receivables - credit impaired	0.41	0.41	-	-
	0.41	**0.41**	**-**	**-**
Less : Provision for impairment	0.41	0.41	-	-
(C)	-	-	-	-
Total (A+B+C)	**23.91**	**27.67**	**80.25**	**65.51**

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

2.05 OTHER FINANCIAL ASSETS

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good				
Share Application Money (Refer note 4.02 b)	0.26	0.26	-	-
Bank deposits with more than 12 months maturity	12.77	15.29	-	-
Accrued Interest	-	-	1.44	0.26
Unbilled Revenue *	-	-	0.08	0.07
Other Receivables	-	-	0.46	0.48
	13.03	**15.55**	**1.98**	**0.81**

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.06 DEFERRED TAX ASSETS (NET)

	As at March 31, 2019	As at March 31, 2018
The balance comprises of temporary differences attributable to -		
Deferred tax assets in relation to : *		
Unabsorbed depreciation	283.44	29.77
Others	7.58	-
	291.02	**29.77**
Deferred tax liabilities in relation to :		
Property, Plant and Equipment	23.35	28.12
Others	-	1.65
	23.35	**29.77**
DEFERRED TAX ASSETS (NET)	**267.67**	**-**

Significant Estimates -

* The deferred tax assets recognised during the quarter is mainly in respect of unabsorbed depreciation allowance available for set off for indefinite period in terms of applicable tax laws. Considering the revision in business plans and growth strategy of the Company, pursuant to fresh infusion of equity capital and implementation of New Tariff Order; the Management is reasonably certain of future taxable income and hence recovery of such deferred tax assets.

The movement in deferred tax asset / liabilities during the Year ended March 31, 2019 and March 31, 2018:

Particulars	As at March 31, 2018	Recognised in Profit / (Loss)	As at March 31, 2019
Deferred Tax Assets in relation to :			
Unabsorbed depreciation	29.77	253.67	283.44
Others	-	7.58	7.58
Deferred tax liabilities in relation to :			
Property, Plant and Equipment	28.12	4.77	23.35
Others	1.65	1.65	-
Total	-	267.67	267.67

Unrecognised deductible temporary differences, unused tax losses and unused tax credit on which deferred tax asset has not been recognised:

Particulars	Indefinite	Total
Deductible temporary differences	17.57	17.57
Total	**17.57**	**17.57**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.07 OTHER ASSETS

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
CAPITAL ADVANCES				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	0.03	0.03	-	-
Advance to Suppliers	3.21	4.92	-	-
Doubtful	0.30	0.30	-	-
Less: Allowance for bad & doubtful advances	0.30	0.30	-	-
(A)	**3.24**	**4.95**	**-**	**-**
ADVANCES OTHER THAN CAPITAL ADVANCES				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	1.54	3.85	3.46	4.29
Staff Advances	-	-	0.07	0.25
Sundry Advances	0.11	0.16	10.15	17.42
Balance with Government authorities:				
Service Tax / GST Recoverable	-	-	15.42	17.32
Balance with Statutory Authorities	8.62	-	0.04	0.15
Advance Income Tax (Net of Provision)	22.65	62.48	-	-
Deposits paid under Protest	7.79	17.00	-	-
Other Receivables	-	-	0.47	0.46
Doubtful	8.61	0.90	-	-
Less: Allowance for bad & doubtful advances	8.61	0.90	-	-
(B)	**40.71**	**83.49**	**29.61**	**39.89**
Total (A+B)	**43.95**	**88.44**	**29.61**	**39.89**

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

2.08 INVENTORIES

	As at March 31, 2019	As at March 31, 2018
Stock of Spares and Maintenance Items	12.98	15.64
Total	**12.98**	**15.64**

2.09 CURRENT INVESTMENTS

	As at March 31, 2019	As at March 31, 2018
Unquoted		
Investments measured at fair value through profit and loss account		
Investment in Mutual Funds	2,993.56	-
Total Current Investments	**2,993.56**	**-**
Aggregate amount of unquoted investments	2,964.70	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.10 TRADE RECEIVABLES

	Current	
	As at March 31, 2019	As at March 31, 2018
Trade receivables - Unsecured	56.80	57.14
	56.80	**57.14**
Less: Provision for Impairment	50.30	26.96
	6.50	**30.18**

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

2.11 CASH AND CASH EQUIVALENTS

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Balances with banks:				
In Current Accounts	-	-	22.14	3.17
Deposits with banks with original maturity of 3 months or less	-	-	30.11	-
Cash in hand	-	-	0.87	1.30
	-	**-**	**53.12**	**4.47**

2.12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Margin money deposit*	12.77	15.29	-	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	50.00	-
	12.77	**15.29**	**50.00**	**-**
Less: Amount disclosed under other financial asset (Refer Note 2.05)	12.77	15.29	-	-
Total	**-**	**-**	**50.00**	**-**

* Marked under lien in favour of Banks

2.13 CURRENT TAX ASSETS (NET)

	Current	
	As at March 31, 2019	As at March 31, 2018
Current tax assets		
Advance Income Tax (Net of Provisions)	42.54	-
Total	**42.54**	**-**

2.14 EQUITY SHARE CAPITAL

	As at March 31, 2019	As at March 31, 2018
Authorised Capital		
1,999,000,000 (March 31, 2018: 999,000,000) Equity Shares of ₹ 2 each	399.80	199.80
Total	**399.80**	**199.80**
Issued, Subscribed and Paid up Capital		
1,770,104,500 (March 31, 2018: 830,494,500) Equity Shares of ₹ 2 each fully paid-up	354.02	166.10
Total	**354.02**	**166.10**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

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

	As at March 31, 2019		As at As at 31, 2018	
	Number	Amount	Number	Amount
Equity Shares of ₹ 2 each				
Shares Outstanding at the beginning of the year	83,04,94,500	166.10	83,04,94,500	166.10
Shares Issued during the year under Preferential allotment (Refer note (f) below)	93,96,10,000	187.92	-	-
Shares Outstanding at the end of the year	**1,77,01,04,500**	**354.02**	**83,04,94,500**	**166.10**

b) **Rights, Preference and restrictions attached to Shares;**

Terms/ Rights attached to Equity Shares

The Company has issued only one class of equity shares having face value of ₹ 2 (March 31, 2018 : ₹ 2) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

c) **Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;**

Name of the Shareholder	As at March 31, 2019	As at March 31, 2018
	No. of Shares held	No. of Shares held
Equity Shares of ₹ 2 each		
Jio Content Distribution Holdings Private Limited $	74,93,82,454	-
Jio Internet Distribution Holdings Private Limited $	30,03,37,845	-
Jio Cable and Broadband Holdings Private Limited $	22,39,80,916	-

$ Controlled by Digital Media Distribution Trust of which Reliance Content Distribution Limited - Wholly owned Subsidiary of Reliance Industries Limited, is the sole beneficiary.

d) **Details of shareholders holding more than 5% shares in the Company:**

Name of the Shareholder	As at March 31, 2019		As at As at 31, 2018	
	No. of Shares held ₹ 2 each	% of Holding	No. of Shares held ₹ 2 each	% of Holding
Equity Shares of ₹ 2 each				
Mr. Akshay Raheja	12,14,13,000	6.86	12,14,13,000	14.62
Mr. Viren Raheja	11,95,53,000	6.75	11,95,53,000	14.40
Hathway Investments Private Limited	11,26,45,015	6.36	8,18,45,015	9.85
Jio Content Distribution Holdings Private Limited	74,93,82,454	42.34	-	-
Jio Internet Distribution Holdings Private Limited	30,03,37,845	16.97	-	-
Jio Cable and Broadband Holdings Private Limited	22,39,80,916	12.65	-	-
CLSA Global Markets Pte. Ltd.	-	-	7,93,46,924	9.55
P6 Mauritius India Holding Limited	-	-	7,07,17,760	8.52
P5 Asia Holding Investments (Mauritius) Limited	-		5,27,83,220	6.36

e) **Shares reserved for issue under options (ESOP) :**

The shareholders of the company have approved ESOP to the Managing Director (MD) on October 04, 2018. Under this ESOP Plan, the MD will be issued 53,60,000 ESOPs at a price of ₹ 19 per option, upon exercise of which the MD will be entitled to 53,60,000 equity shares in the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

In addition to the ESOPs mentioned above, the company shall pay the MD an amount in cash, provided he is in employment of the company on the Vesting Date (i.e. has completed the Term), which amount shall be calculated in the following manner – if, the closing market price per equity share of the Company on the BSE Limited as on the Vesting Date (Closing Market Price):

(i) is less than ₹ 19 per share, MD will be paid an amount in cash which shall be calculated as follows:

[53,60,000 equity shares * Closing Market Price]

(ii) is in excess of ₹ 19 per share, MD will be paid an amount in cash which is to be calculated as follows:

[53,60,000 equity shares * ₹ 19 i.e. ₹. 10,18,40,000/-]

The amount referred to in this clause, shall be paid within 30 days of the Vesting Date and shall be subject to applicable withholding taxes.

However, on the date of the balance sheet, these options are yet to be granted to the MD.

f) The Company has allotted on preferential basis 3,08,00,000 equity shares of ₹ 2 each at a premium of ₹ 30.35 per share to Hathway Investments Private Limited. Further, the Company has allotted on preferential basis 908,810,000 equity shares of ₹ 2 each at a premium of ₹ 30.35 per share to the following entities (the "Acquirers") aggregating to ₹ 2,940 representing 51.34% of post allotment equity share capital of the Company:

Name of the Acquirer	No. of shares	Amount
Jio Content Distribution Holdings Private Limited	53,46,98,609	1,729.75
Jio Internet Distribution Holdings Private Limited	21,42,96,755	693.25
Jio Cable and Broadband Holdings Private Limited	15,98,14,636	517.00
Total	**90,88,10,000**	**2,940.00**

Pursuant to the aforesaid preferential allotment, the Acquirers have acquired sole control of the Company and the Acquirers and the Persons Acting in Concert (PAC) namely Reliance Industries Limited, Digital Media Distribution Trust, Reliance Content Distribution Limited and Reliance Industrial Investments and Holdings Limited have become part of the 'promoter and promoter group' of the Company.

Further, on February 26, 2019 the Acquirers acquired an aggregate of 364,891,215 equity shares representing 20.61% of the total paid-up equity share capital of the Company pursuant to an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Accordingly, as at March 31, 2019, the aggregate holding of the Acquirers in the Company stood at 1,273,701,215 equity shares of the Company representing 71.96% of the total paid-up equity share capital of the Company.

2.15 OTHER EQUITY

	As at March 31, 2019	As at March 31, 2018
Retained earnings	(777.76)	(989.21)
Securities Premium	4,725.79	1,877.01
Total	**3,948.03**	**887.80**

Description of the nature and purpose of each reserve within equity is as follows:

(a) Retained Earning :

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

(b) Securities Premium :

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.16 NON CURRENT BORROWINGS

	Non Current portion		Current maturities of long term debts	
	As at March 31, 2019	**As at March 31, 2018**	**As at March 31, 2019**	**As at March 31, 2018**
Term Loans				
Secured				
From Banks	405.16	170.09	88.70	28.47
From Others	295.02	313.11	92.91	38.45
FCNR loan from Banks				
Secured	-	-	-	8.83
Buyers Credit				
Secured	-	-	-	230.07
Inter Corporate Deposit	100.00	-	-	-
	800.18	**483.20**	**181.61**	**305.82**
Less: Amount disclosed under the head 'Other Financial Liabilities' (Note No. 2.17)				
- Current maturities of Long-Term Debts			181.61	305.82
Net Amount	**800.18**	**483.20**	**-**	**-**

CURRENT BORROWINGS

	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand		
Secured		
Cash Credit with banks	-	10.03
Overdraft with bank	-	5.57
Unsecured		
From Banks	-	12.44
Loans from Related Parties	2.40	2.40
Total	**2.40**	**30.44**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

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

Sr. No.		Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
				Non-Current	Current	Non-Current	Current
NON-CURRENT BORROWINGS							
1	**Term Loan from Banks**						
1.01	**Yes Bank Ltd.**						
	i	Secured by first pari passu hypothecation of present & future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Moratorium period of 24 months from date of first disbursement. Post moratorium, principal to be repaid in 12 equal quarterly installments. Applicable rate of interest is Yes Bank 12 Month MCLR + 0.8%	3.73	5.59	11.19	-
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
1.02	**Yes Bank Ltd.**						
	i	Secured by second pari passu hypothecation of present & future Fixed assets and Current Assets of the Company	Moratorium period of 12 months from date of first disbursement. Post moratorium, principal to be repaid in 16 quarterly installments. 6 Month MCLR+ 1.50%	122.53	18.75	96.28	2.50
	ii	Pledge of 18% equity shares of Hathway Digital Private Limited (HDPL) & 18% shares of HDPL under Non Disposal Undertaking arrangement					
1.03	**Yes Bank Ltd.**						
	i	Secured by first pari passu hypothecation of present & future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable as - Year 1 and 2 - 10% of amount drawdown in four equal quarterly installments in each of the years	113.38	11.85	-	-
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL	- Year 3 - 15% of amount drawdown in four equal quarterly installments - Year 4 - 20% of amount drawdown in four equal quarterly installments - Year 5 and 6 - 22.5% of amount drawdown in four equal quarterly installments in each of the years Applicable rate of interest is Yes Bank 12Months MCLR + 0.65%.				
1.04	**Indusind Bank Ltd**						
	i	Secured by first pari passu hypothecation of present & future Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Moratorium period of 12 months from date of first disbursement. Post moratorium, principal to be repaid in 16 quarterly installments. Applicable Rate of Interest 1 Year IBL MCLR+ 1.1%	44.50	22.87	30.00	5.25
	ii	Secured by first pari passu charge hypothecation of present & future Current Assets of the Company and of HDPL					
1.05	**Axis Bank Ltd.**						
	i	Secured by first pari passu hypothecation of present & future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable in 12 equal quarterly installments with 1st installment due after 36 months after the date of drawdown to be paid at the end of each quarter. Applicable rate of Interest is Axis Bank 1 Year MCLR + 2.45%	11.06	7.24	8.61	1.72
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDP					

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Sr. No.		Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
				Non-Current	Current	Non-Current	Current
1.06	Kotak Mahindra Bank Ltd.						
	i	Secured by first pari passu hypothecation of present & future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable in 16 equal quarterly installments with 1st installment due 12 months after the date of drawdown. Applicable rate of Interest is Applicable Rate of Interest is Base rate + 1.50%.	1.82	1.82	3.65	1.82
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
1.07	RBL Bank Ltd						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal Repayable at below terms a) 10% to be paid at the end of 12 months from the date of first drawdown b) 5% at the end of 18 months and thereafter equal quartely installments till the maturity of the Loan Applicable Rate of interest is RBL Base rate + 0.45%	7.59	6.07	13.66	6.07
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
1.08	RBL Bank Ltd						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal Repayable at below terms 10 half yearly installments from the date of first disbursement.Applicable Rate of interest is 1 Year MCLR + 0.75%	5.70	2.63	8.32	2.63
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
1.09	RBL Bank Ltd						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal Repayable at below terms quarterly instalments to be paid over 5 years from the date of first drawdown in the following manner: for the 1st year and 2nd year- 10% and for each of the balance 3 years - 26.67%. Applicable Rate of interest is 3 Months MCLR + 0.20%	80.85	9.80	-	-
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
1.10	RBL Bank Ltd						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Moratorium period of 6 months from date of disbursement. Principal Repayable in equal quarterly instalments to be paid over 5 years. Applicable Rate of interest is 3 Months MCLR + 0.55%	8.50	1.50	-	-
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
1.11	ICICI Bank Ltd						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Equated Quarterly Repayment starting from 27th Month from the date of each drawdown of Buyers credit. No repayment to exceed 5 years from the date of first drawdown. Applicable Rate of interest is one Year ICICI Bank MCLR + 2.8%	-	1.59	1.59	1.59
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Sr. No.		Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
				Non-Current	Current	Non-Current	Current
1.12	**ICICI Bank Ltd**						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Equated Quarterly Repayment starting from on or before 42nd Month from the date of each drawdown of Buyers credit. No repayment to exceed 6 years from the date of first drawdown. Applicable Rate of interest is one Year ICICI Bank MCLR + 2.2%	0.21	0.42	0.63	0.42
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
1.13	**ICICI Bank Ltd**						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Equated Quarterly Repayment starting from 12th Month from the date of first drawdown. No repayment to exceed 5 years from the date of first drawdown. Applicable Rate of interest is one Year ICICI Bank MCLR + 1.58%	9.41	0.59	-	-
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
2.0	**Term Loan From Others**						
2.01	**Aditya Birla Finance Ltd.**						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Equated Quarterly Repayment from the date of each drawdown of Loan . No repayment to exceed 3 years from the date of first drawdown. Applicable Rate of Interest is 1Year MCLR+ 2.8%	-	1.20	1.20	2.78
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
2.02	**Aditya Birla Finance Ltd.**						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Seventeen equal quarterly installments starting after 1 year from the date of first drawdown of Loan. Applicable Rate of Interest is 6 months ICICI MCLR+ 1.65%	61.76	13.24	-	-
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
2.03	**Housing Development Finance Corporation Ltd.**						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Balance principal repayable in 6 equal quarterly installments of ₹ 18.21 with 1st installment due from December 2019. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC Corporate Prime Lending Rate - 7.65%.	68.34	31.66	100.00	-
	ii	Secured by first pari passu hypothecation of present & future Current Assets of the Company and of HDPL					
2.04	**IDFC Infrastructure Finance Limited**						
	i	Secured by first pari passu first hypothecation of all fixed assets, both present and future including plant & machinery, machinery spares, tools & accessories, furnitures, fixtures, vehicles and all other assets, of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable in 16 equal quarterly installments commencing from 30 June 2018. Applicable rate of Interest is IDFC Infrastructure Finance Limited 5 Year Benchmark+ 2.15%.	50.00	25.00	75.00	25.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Sr. No.		Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
				Non-Current	Current	Non-Current	Current
	ii	Secured by first pari passu first hypothecation on entire receivables, book debts and entire intangible assets, goodwill, & uncalled capital, both present & future, of the Company and of HDPL.					
2.05	India Infradebt Limited						
	i	Secured by first pari passu charge on present & future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Quarterly Repayment from the date of First Disbursement 1) 1.875% of Principal to be repaid from Quarter 1 to Quarter 4 2) 3.75% of Principal to repaid from Quarter 5 to Quarter 8 3) 5.00% of Principal to repaid from Quarter 9 to Quarter 12 4) 6.875% of Principal to repaid from Quarter 13 to Quarter 16 5) 7.5% of Principal to repaid from Quarter 17 to Quarter 20 Applicable Rate of Interest is 9.50%.	116.25	22.50	138.75	11.25
	ii	Secured by first pari passu charge on present and future entire cashflows, receivables, book debts and revenue and entire intangible assets including but not limited to, goodwill and uncalled capital, intellectual property, of the Company & of HDPL					
	iii	Secured by pari passu first charge/ assignment over all the right, title, interest, benefits, claims and demands in any letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee, of the Company & of HDPL.					
3.0	Unsecured						
3.01	Inter Corporate Deposits						
	Bloomingdale Investment and Finance Private Limited						
			principal payable after 3 years from the date of disbursement. Applicable rate of interest is 8% p.a.	100.00	-	-	-
		Less: Unamortised upfront fees on borrowing		5.45	2.69	5.68	2.40
		Add: Loan fully repaid prior to the Balance sheet date		-	-	-	247.19
	Total Long Term Borrowings			**800.18**	**181.61**	**483.20**	**305.82**
	CURRENT BORROWINGS						
4.0	**Unsecured**						
4.01	**From Related Parties**						
i	**Hathway Broadband Private Limited**			-	2.40	-	2.40
	Less: Unamortised upfront fees on borrowing			-	-	-	0.06
	Add: Loan fully repaid prior to the Balance sheet date			-	-	-	28.10
	Total Short Term Borrowings			**-**	**2.40**	**-**	**30.44**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

b-1) Details of Non - Current borrowings guaranteed by a Hathway Digital Private Limited, a wholly owned subsidiary of the Company:

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Term loans from banks	499.99	204.05
2	Term loan from others	388.75	350.00
3	FCNR loan from banks	-	9.00
4	Buyers Credit	-	230.07
	Total Non - Current Borrowings	**888.74**	**793.12**

b-2) Details of Current Borrowings guaranteed by Hathway Digital Private Limited, a wholly owned subsidiary of the Company:

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Cash Credit	-	10.03
2	Overdraft	-	5.57
3	Unsecured loan	-	12.50
	Total Current Borrowings	**-**	**28.10**

c) The carrying amount of assets pledged as security for borrowings are disclosed below :

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	**Current**		
	i Inventories	12.98	15.64
	ii Trade Receivables	6.50	30.18
	iii Cash and Cash Equivalents	53.12	4.47
	iv Bank balances other than Cash and Cash Equivalents	50.00	-
	v Loans	80.25	65.51
	vi Other financial assets	1.98	0.81
	vii Other Current Assets	10.25	17.82
		215.08	**134.43**
2	**Non - current**		
	i Property, Plant and Equipment	751.75	740.73
	ii Capital Work In Progress	51.56	39.07
	iii Other Intangible Assets	51.98	18.41
	iv Loans	23.91	27.67
	v Other financial assets	13.03	15.55
	vi Other Non-Current Assets	11.98	5.11
		904.21	**846.54**
	Total assets pledged as security	**1,119.29**	**980.97**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.17 OTHER FINANCIAL LIABILITIES

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Current maturities of Long-Term Debts (Refer note no. 2.16)	-	-	181.61	305.82
Security Deposits	9.63	6.75	-	-
Interest accrued and not due	-	-	3.58	3.72
Salary and Employee benefits payable	-		3.71	3.17
Capital Creditors	-	-	86.34	101.47
Financial Guarantee Obligations	-	-	-	0.03
Other Financial Liabilities	-	-	32.76	44.08
Total	**9.63**	**6.75**	**308.00**	**458.29**

2.18 PROVISIONS

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Employee Benefits				
Provision for Leave Encashment	2.21	0.30	0.30	2.03
(A)	**2.21**	**0.30**	**0.30**	**2.03**
Others				
Mark to Market Losses on Currency Swap	0.57	0.53	-	-
(B)	**0.57**	**0.53**	**-**	**-**
Total (A+B)	**2.78**	**0.83**	**0.30**	**2.03**

2.19 OTHER LIABILITIES

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Income received in advance	-	-	72.42	80.87
Statutory Payables	-	-	5.50	5.61
Gratuity (Funded)	3.38	2.86	-	-
Employee Payables	-	-	0.91	0.42
Other Liabilities	-	-	6.59	2.55
Total	**3.38**	**2.86**	**85.42**	**89.45**

3.01 REVENUE FROM OPERATIONS

	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from operations		
Sale of services	527.08	544.19
Sale of products	0.30	-
Other operating revenues	0.25	0.35
Total	**527.63**	**544.54**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.02 OTHER INCOME

	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest income earned on financial assets measured at Amortised Cost:		
Bank Deposits	4.18	0.87
Interest on Loans	2.54	3.16
Corporate guarantee/ unwinding interest	2.17	2.96
Dividend Income from associate	4.20	4.20
Other Non - Operating Income		
Amount No Longer Payable Written Back	0.02	*
Miscellaneous Income	0.16	0.10
Other gains and losses		
Net Gain on financial assets measured at fair value through profit and loss	41.59	0.68
Total	**54.86**	**11.97**

* Amount less than ₹ 50,000/-

3.03 OTHER OPERATIONAL EXPENSES

	Year Ended March 31, 2019	Year Ended March 31, 2018
Commission	39.16	38.42
Bandwidth and Lease Line Cost	42.33	49.82
Repairs and Maintenance (Plant and Machinery)	3.40	11.56
Rent	15.77	14.52
Consultancy and Technical Fees	4.75	2.86
Other Sundry Operational Cost	13.50	9.66
Software and Programming Cost	2.33	1.14
Freight and Octroi Charges	0.02	0.02
Hire Charges	1.28	0.99
Total	**122.54**	**128.99**

3.04 EMPLOYEE BENEFITS EXPENSE

	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries and Bonus	44.96	37.42
Contribution to provident and other funds	2.81	2.80
Staff Welfare expenses	2.07	1.69
Total	**49.84**	**41.91**

3.05 FINANCE COST

	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest and Finance charges on financial liabilities	86.56	62.53
Exchange differences regarded as an adjustment to borrowing cost	6.04	4.00
Other borrowing costs	9.98	11.81
Total	**102.58**	**78.34**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.06 DEPRECIATION, AMORTISATION AND IMPAIRMENT

	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation of Property, Plant and Equipment	94.01	79.15
Amortisation of Intangible Assets	9.07	5.64
Impairment of Goodwill	-	0.02
Impairment of Property, Plant and Equipment	12.84	12.20
Impairment of Other Intangible Assets	-	0.18
Total	**115.92**	**97.19**

3.07 OTHER EXPENSES

	Year Ended March 31, 2019	Year Ended March 31, 2018
Service Charges	89.95	82.72
Bad Debts	3.24	2.00
Less: Transfer from impairment of Trade Receivables (Expected Credit Loss)	(3.24)	(2.00)
	-	-
Impairment of Trade receivables	2.40	12.00
Electricity Expenses	15.55	14.27
Advertisement and Promotion expenses	12.65	12.76
Legal and Professional Charges	3.46	2.08
Rent - Offices	4.20	3.56
Conveyance	3.29	4.12
Repairs and Maintenance (Others)	1.96	2.67
Office Expenses	1.45	1.52
Travelling	2.55	1.97
Communication Charges	1.98	2.79
Rates and taxes	1.63	1.28
Loss on disposal / shortage of Property, Plant and Equipment	4.49	0.09
Printing and Stationery	0.66	0.75
Insurance Charges	1.77	0.64
Business Promotion Expenses	0.22	0.66
Sundry Advances Written Off	*	0.05
Interest on Taxes	2.39	0.09
Share of Loss from LLP	0.20	0.79
Loss on Foreign Exchange Fluctuation (Net)	11.58	2.10
Sitting Fees	0.35	0.27
Miscellaneous Expenses	0.67	0.83
Auditor's Remuneration		
- Statutory Audit Fees	0.39	0.39
- Limited Review, Consolidation and Certification Fees	0.35	0.23
Total	**164.14**	**148.63**

* Amount less than ₹ 50,000/-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.08 EXCEPTIONAL ITEMS *

	Year Ended March 31, 2019	Year Ended March 31, 2018
- Impairment of trade receivables and exposure to certain entities including Joint Ventures	49.74	-
- (Gain) / Loss on sale of shares of Non-Current Investments	-	(16.21)
- Expenses relating to equity infusion	25.87	-
- Write down to Property Plant and Equipments	8.93	-
Total	**84.54**	**(16.21)**

* Refer Note 4.05

4.01 EARNINGS/(LOSS) PER SHARE

	Year Ended March 31, 2019	Year Ended March 31, 2018
Basic earnings per share : (₹)		
Attributable to equity holders of the Company	2.08	0.94
Diluted earnings per share : (₹)		
Attributable to equity holders of the Company	2.08	0.94
Nominal value of Ordinary shares (₹ per Share)	2.00	2.00
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit/(Loss) attributable to equity holders of the Company used in calculating basic earnings per share *	210.60	77.66
Diluted earnings per share		
Profit/(Loss) attributable to equity holders of the Company used in calculating diluted earnings per share *	210.60	77.66
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	**1,00,05,20,281**	**83,04,94,500**

* Net of share issue expenses debited to securities premium.

4.02 CONTINGENT LIABILITIES

a) The Company has challenged computation of levy of license fees for pure Internet services before Telecom Disputes Settlement & Appellate Tribunal (TDSAT). On merit of the case, in the year 2015, TDSAT has granted stay till disposal of petition. No demand has been received by the Company till date. The Company is contingently liable to the extent of ₹ 155.73 (March 31, 2018 : ₹ 114.58). The Company has paid an amount of ₹ 5.12 (March 31, 2018 : ₹ 5.36) under protest.

b) The minority shareholders of the erstwhile joint venture company, Hathway Rajesh Multichannel Pvt. Ltd., filed an arbitration petition against the Company before the High Court, Bombay, which was referred to a sole arbitrator in August 2016. The minority shareholders, in their statement of claim have sought, amongst other reliefs, payment of ₹ 54.98 (March 31, 2018: ₹ 54.98) under various heads. The Company has refuted the claims and has made counter claim of ₹ 91.17 (March 31, 2018: ₹ 91.17) towards inter-alia outstanding content cost, loans, payments and damages/ compensation for the loss of financial and management credibility, goodwill etc. The matter is currently pending.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

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

Matters with	As at March 31, 2019	As at March 31, 2018
Operators and Others	0.50	0.45
Other Statutory Authorities	0.35	-
VAT Authorities	2.19	0.02
Service Tax Authorities	3.74	3.74
Total	**6.78**	**4.21**

Pursuant to Business Transfer Agreement dated March 24, 2017, the Company has transferred its Cable Television business which inter alia includes claims against the Company not acknowledged as debts, by way of slump sale to its wholly owned subsidiary Hathway Digital Private Limited (HDPL). Accordingly, the details of such claims, litigation etc. relating to Cable Television business transferred to HDPL are not disclosed hereinabove.

d) **Foreseeable losses**

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

e) **Note on pending litigations**

The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

4.03 FINANCIAL CORPORATE GUARANTEE

The Company has given Corporate Guarantees of ₹ 1,012.79 (March 31, 2018: ₹ 856.75) to Banks and ₹ 2.76 (March 31, 2018: ₹ 14.14) to Others towards various credit facilities extended by them to related parties.

The Company has given Letter of Comfort of ₹ 58.07 (March 31, 2018: ₹ 70.59) to Banks towards various credit facilities extended by them to related parties.

4.04 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts (including acquisition of intangible assets net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ 26.69 (March 31, 2018: ₹ 49.43).

As a part of business strategy, the Company has expanded its area of operations in various parts of the country by entering into arrangements with local partners. Such operations are in the form of subsidiaries/joint ventures. Since operations of such entities are significantly dependent on the company's policies, the Company is committed to provide the required support towards the operations of such entities including financial support that may be required to meet commitments/obligations of such entities.

4.05 EXCEPTIONAL ITEMS

(a) In view of the New Regulatory Framework for Broadcasting and Cable services sector notified by the Telecom Regulatory Authority of India (TRAI), which has come into effect during the quarter resulting into changes in pricing mechanism and arrangements involving joint ventures and considering equity infusion ; the Management, based on a review, has provided for (i) impairment of trade receivables and exposure to certain entities including joint ventures; (ii) write down to the recoverable value of certain assets; (iii) expenses relating to equity infusion. These adjustments, having one-time, non-routine material impact on financial statements, hence been disclosed as "Exceptional Item" in Financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

(b) During the previous year, the Company has offloaded 72 lakhs shares of GTPL Hathway Limited under Offer to sale @ ₹ 170 per share. The holding of the Company in GTPL Hathway Limited has reduced from 50% to 37.32%.

4.06 EMPLOYEE BENEFITS

a) **Defined Benefit Plans:**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 26 days' salary for each completed year of service subject to a maximum of ₹ 0.20 (March 31, 2018: ₹ 0.20). Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

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

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

	Particulars	Gratuity	
		March 31, 2019	March 31, 2018
1	**Expense recognised in the statement of Profit and Loss**		
	Current Service Cost	0.55	0.55
	Net Interest	0.21	0.10
	Past Service Cost	-	0.26
	Expense recognised in the statement of Profit and Loss	**0.76**	**0.91**
2	**Other Comprehensive Income (OCI)**		
	Measurement of net defined benefit liability		
	Actuarial (gains)/ losses arising from changes in demographic assumptions	(0.03)	-
	Actuarial (gains)/ losses arising from changes in financial assumption	0.06	(1.80)
	Actuarial (gains)/ losses arising from experience adjustments	0.18	0.40
	Return on plan asset excluding net interest (gain)/losses	0.01	0.14
	Total Actuarial (gain)/loss recognised in OCI	**0.22**	**(1.26)**
3	**Change in benefit obligations:**		
	Projected benefit obligations at beginning of the year	3.80	5.12
	Current Service Cost	0.55	0.55
	Interest Cost	0.28	0.38
	Past Service Cost	-	0.27
	Benefits Paid	(0.32)	(1.12)
	Actuarial (gain) / loss		
	Actuarial (gains)/ losses arising from changes in demographic assumptions	(0.03)	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

	Particulars	Gratuity	
		March 31, 2019	March 31, 2018
	Actuarial (gains)/ losses arising from changes in financial assumption	0.06	(1.80)
	Actuarial (gains)/ losses arising from experience adjustments	0.18	0.40
	Projected benefit obligations at end of the year	**4.52**	**3.80**
4	**Fair Value of Plan Assets**		
	Opening Fair Value of Plan Asset	0.94	3.78
	Return on Plan Assets excl. interest income (gain)/losses	(0.02)	(0.14)
	Interest Income	0.07	0.28
	Contributions by Employer	0.46	0.10
	Assets acquired/ (settled)*	-	(1.97)
	Benefits Paid	(0.32)	(1.11)
	Fair Value of Plan Assets at end of the year	**1.13**	**0.94**
	* On account of business combination / inter group transfer		
5	**Net Liability**		
	Projected benefit obligations at end of the year	4.52	3.80
	Fair Value of Plan Asset at the end of the year	1.13	0.94
	Net Liability	**3.38**	**2.86**
6	**The net liability disclosed above relates to funded plans are as follows**		
	Projected benefit obligations at end of the year	4.52	3.80
	Fair Value of Plan Asset at the end of the year	1.13	0.94
	Deficit of gratuity plan	**3.38**	**2.86**
7	**Sensitivity Analysis**		
	Present value of benefit obligation at the end of the year on		
	0.5 % increase in discount rate	4.37	3.68
	0.5 % decrease in discount rate	4.67	3.94
	0.5 % increase in rate of salary increase	4.65	3.94
	0.5 % decrease in rate of salary increase	4.38	3.68
	1% increase in attrition rate	4.55	3.84
	1% decrease in attrition rate	4.49	3.77
	10% increase in mortality rate	4.52	3.81
	10% decrease in mortality rate	4.52	3.81
8	**Principal assumptions used for the purpose of actuarial valuation**		
	Mortality	IALM (2012-14) Ult	IALM (2006-08) Ult
	Interest /discount rate	7.30%	7.50%
	Rate of increase in compensation	5.00%	5.00%
	Expected average remaining service	6.11	6.71
	Employee Attrition Rate (Past service(PS))	21-30 Year : 14.3% 31-40 Year : 16.9% 41-50 Year : 10.00% 51-57 Year : 0.00%	21-30 Year : 5.00% 31-40 Year : 6.00% 41-57 Year : 9.00%
9	**Investment Details**		
	Insurer Managed Funds	100.00%	100.00%

b) Defined Contribution Plans:

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

The Company operated defined contribution retirement benefit plans for all qualifying employees.

The Total expenses recognised in the statement of Profit and Loss is ₹ 2.16 (March 31, 2018: ₹ 1.89) represents contribution payable to these plans by the Company at the rates specified in the rules of plan.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.07 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 108 OPERATING SEGMENTS

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

4.08 LEASES

(a) Operating Leases (As Lessee): The Company's significant leasing arrangements in terms of Ind AS 17 on lease 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 nine years and are renewable by mutual consent.

Details of Non-Cancellable Leases are as under:

Particulars	As at March 31, 2019	As at March 31, 2018
Payable in the next one year	0.16	0.61
Payable after next one year but before next five years	*	0.04
Payable after five years	-	-

* Amount less than ₹ 50,000/-

Rental Expenses debited to the Statement of Profit and Loss ₹ 0.23 (March 31, 2018: ₹ 1.81)

Details of Cancellable Leases are as under:

Rental Expenses debited to the Statement of Profit and Loss ₹ 19.73 (March 31, 2018: ₹ 16.27)

Some of these lease agreements have price escalation clauses.

(b) The right to use granted to subsidiaries in respect of Access devices are not classified as lease transactions as the same are not for an agreed period of time.

4.09 As per the information available with the Company, none of the suppliers 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.

4.10 CAPITAL MANAGEMENT

The Company's objective while managing capital is to maintain stable capital structure to support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital that would enable to maximise the return to stakeholders.

The Company's capital requirement is mainly to fund its business expansion and repayment of borrowings. As stated in note no. 2.14 (f), during the year, the Company has raised funds by issue of equity capital. Other than this funding, the principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The management intends to use fresh funding by way of equity capital for business expansion and to continue to have bank borrowings.

The Company has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or material default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents.

Particulars	As at March 31, 2019	As at March 31, 2018
Net debt	881.08	814.98
Total equity	4,302.05	1,053.90
Net debt to equity ratio	**0.20**	**0.77**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.11 FINANCIAL INSTRUMENTS :

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

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

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

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.

b) The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

c) The fair values of long term security deposits taken and non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

d) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Categories of financial instruments

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

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

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost				
Investment in Government securities	0.14	0.14	0.14	0.14
Trade receivables	6.50	6.50	30.18	30.18
Loans	104.16	104.16	93.18	93.18
Cash and Bank balances	115.89	115.89	19.76	19.76
Other financial assets	2.24	2.24	1.07	1.07
Total (A)	**228.93**	**228.93**	**144.33**	**144.33**
Measured at fair value through profit or loss				
Investment in mutual funds	2,993.56	2,993.56	-	-
Total (B)	**2,993.56**	**2,993.56**	**-**	**-**
Measured at fair value through other comprehensive income				
Investment in equity instruments of other companies	3.08	3.08	2.01	2.01
Total (C)	**3.08**	**3.08**	**2.01**	**2.01**
Total Financial assets (A+B+C)	**3,225.57**	**3,225.57**	**146.34**	**146.34**
Financial liabilities				
Measured at amortised cost				
Borrowings #	984.19	984.19	819.45	819.45
Trade payables	43.98	43.98	48.36	48.36
Other financial liabilities	136.02	136.02	157.57	157.57
Total financial liabilities (A)	**1,164.19**	**1,164.19**	**1,025.38**	**1,025.38**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying values	Fair value	Carrying values	Fair value
Measured at fair value through profit or loss				
Derivative Instruments	0.57	0.57	2.19	2.19
Total financial liabilities (B)	**0.57**	**0.57**	**2.19**	**2.19**
Total Financial liabilities (A+B)	**1,164.76**	**1,164.76**	**1,027.57**	**1,027.57**

includes current maturities of long term debts

Level wise disclosure of financial instruments

Particulars	As at March 31, 2019	As at March 31, 2018	Level	Valuation techniques and key input
Investment in equity instruments of other companies	3.08	2.01	3	Price earning ratio method
Investment in Mutual funds	2,993.56	-	1	Closing Net Asset Value of Mutual Fund
Foreign currency forward contracts - Liability	-	1.66	2	Quotes from banks or dealers
Currency Swap contracts - Liability	0.57	0.53	2	Quotes from banks or dealers

4.12 FINANCIAL RISK MANAGEMENT

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

The business activities of Company expose it to financial risks namely Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Company, it uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency swap contracts, call options to hedge certain foreign currency risk exposures and follows policies set up by a Treasury department under policies approved by the Board of Directors.

1. **Credit risk**

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

The exposure of the Company to credit risk arises mainly from the trade receivables, unbilled revenue, loans given, financial guarantee contract and derivative financial instruments."

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

The Company's major revenue streams arises from services provided to end use customers in the form of monthly subscription income. The trade receivables and unbilled revenues on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. As the customer base is distributed economically and geographically, there is no concentration of credit risk.

The Company follows a simplified approach (i.e based on lifetime ECL) for recognition of impairment loss allowance on trade receivables and unbilled revenue. For the purpose of measuring the lifetime ECL allowance for trade receivables and unbilled revenue, the Company uses a provision matrix which comprises a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. In addition, in case there are events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Reconciliation of changes in the loss allowances measured using life-time expected credit loss model - Trade receivables

Particulars	Amount
As at April 01, 2017	**16.96**
Provided during the year	12.00
Amounts written off	2.00
Reversals of Provision	-
As at March 31, 2018	**26.96**
Provided during the year	26.58
Amounts written off	3.24
Reversals of Provision	-
As at March 31, 2019	**50.30**

2. **Liquidity Risk**

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

Maturities of financial liabilities

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

As at March 31, 2019	less than 1 year	1 to 5 year	Total
Non-Derivatives			
Trade payables	43.98	-	43.98
Borrowings *	186.71	805.63	992.34
Other financial liabilities	126.39	9.63	136.02
Total	**357.08**	**815.26**	**1,172.34**
Derivatives (net settled)			
Foreign exchange forwards	-	-	-
Currency Swap Contract	0.57	-	0.57
Total	**0.57**	**-**	**0.57**

* Include ₹ 8.15 as Prepaid Finance Charges.

As at March 31, 2018	less than 1 year	1 to 5 year	Total
Non-Derivatives			
Trade payables	48.36	-	48.36
Borrowings *	338.72	488.88	827.60
Other financial liabilities	150.82	6.75	157.57
Total	**537.90**	**495.63**	**1,033.53**
Derivatives (net settled)			
Foreign exchange forwards	1.66	-	1.66
Currency Swap Contract	0.53	-	0.53
Total	**2.19**	**-**	**2.19**

* Include ₹ 8.14 as Prepaid Finance Charges.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

The Company from time to time in its usual course of business issues financial guarantees to certain subsidiaries, associates and joint ventures. Company has issued corporate guarantee for debt of ₹ 1,015.55 (March 31, 2018: ₹ 870.89). The outflow in respect of these guarantees will arise only upon default of such subsidiaries and joint ventures/ associate. ₹ 364.37 (March 31, 2018: ₹ 381.74) is due for repayment within 1 year and ₹ 651.18 (March 31, 2018: ₹ 489.15) is due for repayment within 1 - 5 Years from the reporting date.

Financing arrangements

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

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

3. **Market Risk**

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

(a) Market Risk – Foreign Exchange

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

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

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

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

Foreign currency exposure

	As At March 31, 2019	As At March 31, 2018
	USD	USD
Assets	-	-
Liabilities		
Borrowings	-	239.07
Trade payables	61.62	76.08
Derivatives		
Forwards and Futures	-	1.66
Currency Swaps	93.64	8.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Details of Unhedged Foreign Currency Exposure is as under:-

Currency	March 31, 2019		March 31, 2018	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
Secured Loans				
USD	-	-	3.01	196.21
Derivatives Liabilities - Currency Swap				
USD	1.35	93.64	0.13	8.63
Accounts Payables				
USD	0.89	61.62	1.17	76.08
Other Firm Commitments				
USD	0.35	23.97	0.46	30.04

The Company has booked INR USD Cross Currency Swap Contracts of USD 3.34 (March 31, 2018 : USD 3.50) against the underlying INR borrowing of ₹ 214.78 (March 31, 2018 : ₹ 215.71). Outstanding at the year end for the same is ₹ 92.50 (March 31, 2018: ₹ 8.12) and Currency Swap Contract amount is USD 1.35 (March 31, 2018: USD 0.13). The actual interest earned on notional INR deposit, interest paid on notional USD borrowing and marked to market loss on USD exposure aggregating net gain / (loss) of ₹ 1.80 (March 31, 2018 : ₹ 0.70) are included under finance cost in note number 3.05 in Notes to the financial statements.

Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit / (loss) before tax and on other components of equity

Particulars	Impact on Profit : Increase/(Decrease)			
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(1.55)	(2.81)	1.55	2.81

Particulars	Impact on other components of equity : Increase/(Decrease)			
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(1.55)	(2.81)	1.55	2.81

(b) Market Risk – Interest Rate

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because the Company has borrowed funds substantially at floating interest rates. The interest rate risk is managed by the Company by the use of interest rate swap and by monitoring monthly cash flow which is reviewed by management to prevent loss of interest.

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2019	March 31, 2018
Variable rate borrowings *	751.19	704.56
Fixed rate borrowings	241.15	123.02
Derivatives		
Foreign Currency Interest Rate Swaps		
Currency Swaps	92.50	8.12

* Include ₹ 8.15 (March 2018: ₹ 8.14) as Prepaid Financial Charges.

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(₹ in Crores unless otherwise stated)

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of borrowing outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel.

	Impact on Profit : Increase/(Decrease)		Impact on equity : Increase/(Decrease)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest rates - increase by 100 basis points *	(7.51)	(6.85)	(7.51)	(6.85)
Interest rates - decrease by 100 basis points *	7.51	6.85	7.51	6.85

* assuming all other variables as constant

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings and the interest swaps. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings in INR and USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

(c) Market Risk -Price Risk:

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At March 31 2019, the investments in mutual funds is ₹ 2,993.56 (March 31, 2018 : Nil).These are exposed to price risk. In order to minimise price risk arising from investments in mutual funds, the Company predominately invests in those mutual funds which have higher exposure to high quality debt instruments with adequate liquidity and no demonstrated track record of price volatility.

Price risk sensitivity:

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

	Impact on Profit : Increase/(Decrease)		Impact on equity Increase/(Decrease)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Price - increase by 0.10%*	2.99	-	2.99	-
Price - decrease by 0.10% *	(2.99)	-	(2.99)	-

* assuming all other variables as constant

4.13 RECENT PRONOUNCEMENTS

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116 Leases which replaces the existing Ind AS 17 Leases. The new standard will come into force from April 1, 2019.

The core principle of the new standard lies in identifying whether the contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The new standard modifies the accounting of leases in the books of lessee. At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability, for all leases with a term of more than 12 months, unless the underlying asset is of a low value. The accounting for leases in the books of the lessor is substantially similar to the requirements of Ind AS 17.

The standard allows for two methods of transition: the full retrospective approach, requires entities to retrospectively apply the new standard to each prior reporting period presented and the entities need to adjust equity at the beginning of the earliest comparative period presented, or the modified retrospective approach, under which the date of initial application of the new leases standard, lessees recognize the cumulative effect of initial application as an adjustment to the opening balance of equity as of annual periods beginning on or after April 1, 2019.

The Company will adopt this standard using modified retrospective method effective April 1, 2019, and accordingly, the comparative for year ended March 31, 2019, will not be retrospectively adjusted.

The effect on adoption of Ind AS 116 is being ascertained.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.14 RELATED PARTY DISCLOSURES

A. NAMES OF RELATED PARTIES AND RELATED PARTY RELATIONSHIP

i) The company is controlled by the following entities:

Entities exercising control	Reliance Industries Limited (w.e.f. January 30, 2019)
	Reliance Industrial Investments and Holdings Limited (w.e.f. January 30, 2019)* (Protector of Digital Media Distributrion Trust)
	Digital Media Distribution Trust (w.e.f. January 30, 2019)
	Jio Content Distribution Holdings Private Limited (w.e.f. January 30, 2019) $
	Jio Internet Distribution Holdings Private Limited (w.e.f. January 30, 2019) $
	Jio Cable and Broadband Holdings Private Limited (w.e.f. January 30, 2019) $

ii) Under Control of the Company

1 Wholly Owned Subsidiaries	Bee Network & Communications Private Limited
	Binary Technology Transfers Private Limited
	Hathway C-Net Private Limited
	Hathway Enjoy Cable Network Private Limited
	Hathway Gwalior Cable & Datacom Private Limited
	Hathway Internet Satellite Private Limited
	Hathway JMD Farukhabad Cable Network Private Limited
	Hathway Media Vision Private Limited
	Hathway Space Vision Cabletel Private Limited
	Hathway United Cables Private Limited
	Ideal Cables Private Limited
	ITV Interactive Media Private Limited
	Liberty Media Vision Private Limited
	Vision India Networks Private Limited
	Win Cable and Datacom Private Limited
	Hathway Broadband Private Limited
	Hathway New Concept Cable & Datacom Private Limited
	Hathway Mantra Cable & Datacom Private Limited
	Hathway Software Developers Private Limited
	UTN Cable Communications Private Limited
	Hathway Mysore Cable Network Private Limited
	Hathway Krishna Cables Private Limited
	Hathway Digital Private Limited (f.k.a Hathway Datacom Central Private Limited)
2 Other – Subsidiaries	Chennai Cable Vision Network Private Limited
	Channels India Network Private Limited
	Elite Cable Network Private Limited
	Hathway Nashik Cable Network Private Limited
	Hathway Bhawani Cabletel & Datacom Limited
	Hathway Kokan Crystal Cable Network Private Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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iii) Other Related parties :

1 Fellow Subsidiaries	Reliance Corporate IT Park Limited ^
	Reliance Jio Infocomm Limited ^
	Reliance Retail Finance Limited ^
2 Joint Ventures	Hathway Digital Saharanpur Cable & Datacom Private Limited
	GTPL Hathway Limited (f.k.a.GTPL Hathway Private Limited) (till June 30, 2017)
	Hathway Sai Star Cable & Datacom Private Limited
	Hathway MCN Private Limited
	Hathway Channel 5 Cable and Datacom Private Limited
	Net 9 Online Hathway Private Limited
	Hathway Cable MCN Nanded Private Limited
	Hathway Latur MCN Cable & Datacom Private Limited
	Hathway Palampur Cable Network Private Limited
	Hathway ICE Television Private Limited
	Hathway Sonali Om Crystal Cable Private Limited
	Hathway Dattatray Cable Network Private Limited
	Hathway Prime Cable & Datacom Private Limited
	Hathway SS Cable & Datacom - LLP
3 Joint Ventures of Fellow Subsidiaries	Ryohin-Keikaku Reliance India Private Limited
	Reliance-Vision Express Private Limited
4 Associate Companies	Pan Cable Services Private Limited
	Hathway VCN Cablenet Private Limited
	GTPL Hathway Limited (f.k.a.GTPL Hathway Private Limited) (w.e.f. July 01, 2017)
5 Trusts - Post Employment Benefit Trust	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme
6 Key Management Personnel	**Executive Director:-**
	Mr. Rajan Gupta - Managing Director
	Non Executive Directors :-
	Independent Directors
	Mr. Sridhar Gorthi
	Mr. Sasha Gulu Mirchandani
	Mr. Devendra Shrotri
	Ms. Ameeta A Parpia
	Non Independent Directors
	Mr. Rajan R. Raheja (upto January 30, 2019)
	Mr. Viren R Raheja
	Mr. Akshay R Raheja
	Ms. Geeta Fulwadaya (w.e.f. January 30, 2019)
	Mr. Anuj Jain (w.e.f. March 29, 2019)
	Mr. Saurabh Sancheti (w.e.f. March 29, 2019)
	Mr. Vinayak P Aggarwal (upto January 30, 2019)

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

$ Controlled by Digital Media Distribution Trust of which Reliance Content Distribution Limited - Wholly owned Subsidiary of Reliance Industries Limited , is the sole beneficiary.

^ Subsidiaries of Reliance Industries Limited.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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B) **Related Party Transactions**

Compensation to Key Management Personnel:-

Particulars	March 31, 2019	March 31, 2018
(a) Short term employee benefits*	2.96	2.40
(b) Post employment benefits	0.08	0.07
(c) Other long term benefits	-	-
Total Compensation	**3.04**	**2.47**

* Short Term Employee Benefits include sitting fees paid to Directors

As the employment benefits such as Gratuity and Leave encashment are provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Managerial Personnel is not ascertainable and therefore not included above.

Nature of Transactions	Name of the Party	Relationship	2018-19	2017-18
Income				
Subscription Income	Net 9 Online Hathway Private Limited	Joint Venture	0.47	0.56
	Others	Fellow Subsidiaries	*	-
	Others	Joint ventures of Fellow Subsidiary	*	-
Consultancy Income	Net 9 Online Hathway Private Limited	Joint Venture	0.63	0.60
Interest on Loans	Hathway Digital Private Limited	Subsidiary	1.53	2.20
	Others	Subsidiary	0.32	-
	Others	Joint Venture	0.18	0.43
Sales of Parts and Accessories	Hathway Digital Private Limited	Subsidiary	0.02	-
Dividend Income	GTPL Hathway Limited	Associate	4.20	4.20
Other Operational Income	Hathway Digital Private Limited	Subsidiary	-	0.11
Expenses				
Interest on Loans	Hathway Broadband Private Limited	Subsidiary	0.24	0.24
	Hathway Digital Private Limited	Subsidiary	0.08	-
Rent Offices	Akshay R Raheja	Key Management Personnel	0.42	0.38
	Viren R Raheja	Key Management Personnel	0.42	0.38
	Hathway Sai Star Cable and Datacom Private Limited	Joint Venture	0.06	0.13
Purchase of Parts and Accessories	Hathway Digital Private Limited	Subsidiary	0.36	-
Contribution to Gratuity Fund	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme	Trust	0.46	0.20
Exceptional Item	Hathway Cable MCN Nanded Private Limited	Joint Venture	0.29	-
	Hathway Dattatray Cable Network Private Limited	Joint Venture	0.14	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	12.99	-
	Hathway SS Cable & Datacom LLP	Joint Venture	1.94	-
	GTPL Hathway Limited	Associate	2.50	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	2018-19	2017-18
Change in Assets / Liabilities during the year				
Impairment in Value of Investments made during the year	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	5.30	-
	Hathway SS Cable & Datacom LLP	Joint Venture	1.73	-
Allowance for bad and doubtful loans made during the year	GTPL Hathway Limited	Associate	2.50	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	7.68	-
	Others	Joint Venture	0.35	-
Net Advances/Trade Receivables/ Trade Payables Made During the Year	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	0.21	0.10
	Hathway Digital Private Limited	Subsidiary	19.54	-
	Hathway Mysore Cable Network Private Limited	Subsidiary	0.12	0.12
	Hathway Software Developers Private Limited	Subsidiary	0.10	0.10
	UTN Cable Communications Private Limited	Subsidiary	-	0.06
	Others	Joint Venture	0.01	0.02
	Others	Subsidiary	1.27	0.01
Net Advances/Trade Receivables/ Trade Payables Recovered/ Paid During the Year	Hathway Bhawani Cabletel & Datacom Limited	Subsidiary	0.13	0.36
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	0.05
	Hathway Latur MCN Cable & Datacom Private Limited	Joint Venture	0.17	-
	Hathway Digital Private Limited	Subsidiary	-	3.34
	GTPL Hathway Limited	Associate	-	1.12
	Hathway SS Cable & Datacom LLP	Joint Venture	0.20	1.86
	Hathway Broadband Private Limited	Subsidiary	0.22	0.20
	Hathway Cable MCN Nanded Private Limited	Joint Venture	0.29	-
	Others	Joint Venture	0.02	*
	Others	Subsidiary	-	0.12
Loans Received	Hathway Digital Private Limited	Subsidiary	20.00	-
Repayment of Loan	Hathway Digital Private Limited	Subsidiary	20.00	-
Investment made during the year	Hathway Digital Private Limited	Subsidiary	-	354.00
	Others	Joint Venture	-	0.02
Equity shares issued during the year	Jio Content Distribution Holdings Private Limited	Entity exercising control	1,729.75	-
	Jio Internet Distribution Holdings Private Limited	Entity exercising control	693.25	-
	Jio Cable and Broadband Holdings Private Limited	Entity exercising control	517.00	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Nature	Name of the Party	Relationship	As at March 31, 2019	As at March 31, 2018
Closing Balances				
Equity Share Capital (incl. Securities Premium)	Jio Content Distribution Holdings Private Limited	Entity exercising control	1,729.75	-
	Jio Internet Distribution Holdings Private Limited	Entity exercising control	693.25	-
	Jio Cable and Broadband Holdings Private Limited	Entity exercising control	517.00	-
Investments	Hathway Digital Private Limited	Subsidiary	493.97	493.97
	GTPL Hathway Limited	Associate	168.75	168.75
	Others	Subsidiary	82.31	82.31
	Others	Associate	0.10	0.10
	Others	Joint Venture	69.74	69.77
Loans & advances	Hathway Digital Private Limited	Subsidiary	61.99	42.46
	Win Cable & Datacom Private Limited	Subsidiary	20.22	20.22
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	15.48	15.48
	Others	Subsidiary	43.92	42.72
	Others	Associate	9.40	10.32
	Others	Joint Venture	3.70	4.15
	Others	Trust	0.01	0.01
Impairment in Value of Investments	Hathway Media Vision Private Limited	Subsidiary	5.92	5.92
	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture	6.28	6.28
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	16.68	16.68
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	16.37	11.07
	Others	Subsidiary	11.10	11.10
	Others	Associate	0.10	0.10
	Others	Joint Venture	5.34	3.61
Allowance for bad and doubtful loans	Hathway Nashik Cable Network Private Limited	Subsidiary	10.39	10.39
	Win Cable & Datacom Private Limited	Subsidiary	20.37	20.37
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	15.45	7.77
	Others	Subsidiary	11.99	11.99
	Others	Associate	2.50	-
	Others	Joint Venture	1.42	1.06
Other Financial Liabilities	Hathway SS Cable & Datacom LLP	Joint Venture	2.80	2.60
Trade Payables	Hathway Broadband Private Limited	Subsidiary	0.43	0.22
	Hathway Krishna Cable Private Limited	Subsidiary	0.10	0.10
Unsecured loan	Hathway Broadband Private Limited	Subsidiary	2.40	2.40

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Nature	Name of the Party	Relationship	As at March 31, 2019	As at March 31, 2018
Trade Receivables	Hathway Bhawani Cabletel & Datacom Limited	Subsidiary	0.35	0.48
	Hathway Mysore Cable Network Private Limited	Subsidiary	0.23	0.11
	Hathway Software Developers Private Limited	Subsidiary	0.20	0.10
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	0.30	0.09
	Net 9 Online Hathway Private Limited	Joint Venture	0.27	0.29
	Others	Subsidiary	0.13	0.06
	Others	Joint Venture	0.02	0.01
	Others	Fellow Subsidiaries	*	-
	Others	Joint Venture of Fellow Subsidiary	0.01	-

* Amount less than ₹ 50,000

The Company has extended aggregate loan of ₹ 171.96 to various subsidiaries, joint ventures and associates, out of which ₹ 21.24 is interest free. The Company had invested in 5% Non cumulative Redeemable Preference shares issued by Hathway Digital Private Limited aggregating to ₹ 0.05 (March 31, 2018 : ₹ 0.05). The Company has given Corporate financial Guarantees of ₹ 39.69 (March 31, 2018 ₹ 28.44) on behalf of GTPL Hathway Limited, ₹ 975.86 (March 31, 2018: ₹ 842.45) on behalf of Hathway Digital Private Limited. The Company has given Letter of Comfort of ₹ 58.07 (March 31, 2018 ₹70.59) to Banks towards various credit facilities extended by them to GTPL Hathway Limited.

4.15 Supplementary statutory information required to be given pursuant to Schedule V of regulation 34(3) and 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Loans And Advances In The Nature of Loans To Subsidiaries, Joint Ventures And Associates

NAME OF RELATED PARTY	As at March 31, 2019			As at March 31, 2018		
	SUBSIDIARIES	ASSOCIATES AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	SUBSIDIARIES	ASSOCIATES AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway Mysore Cable Network Pvt. Ltd.	4.30	-	4.30	4.30	-	4.30
Hathway Software Developers Pvt. Ltd.	2.88	-	2.88	2.88	-	2.88
Hathway Media Vision Pvt. Ltd.	1.64	-	1.64	1.64	-	1.64
UTN Cable Communications Pvt. Ltd.	6.11	-	6.11	6.11	-	6.11
Hathway Ice Television Pvt. Ltd.	-	0.68	0.68	-	0.68	0.68
GTPL Hathway Ltd. (f.k.a GTPL Hathway Pvt. Ltd)	-	9.40	10.32	-	10.32	10.32
Net 9 Online Hathway Pvt. Ltd.	-	0.20	0.20	-	0.20	0.20
Hathway Sonali Om Crystal Cable Pvt. Ltd.	-	15.48	15.48	-	15.48	15.53
Hathway Gwalior Cable & Datacom Pvt. Ltd.	0.51	-	0.51	0.52	-	0.52
Hathway Enjoy Cable Network Pvt. Ltd.	*	-	*	*	-	*
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	-	-	-	-	0.17	0.17
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	-	1.04	1.04	-	1.04	1.04
Hathway JMD Farukhabad Cable Network Pvt. Ltd.	*	-	*	*	-	*
Hathway Cable MCN Nanded Pvt. Ltd.	-	-	-	-	0.29	0.29

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

NAME OF RELATED PARTY	As at March 31, 2019			As at March 31, 2018		
	SUBSIDIARIES	ASSOCIATES AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	SUBSIDIARIES	ASSOCIATES AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway Dattatray Cable Network Pvt. Ltd.	-	0.14	0.14	-	0.14	0.14
Hathway Mantra Cable & Datacom Pvt. Ltd.	7.50	-	7.50	7.50	-	7.50
Hathway Digital Pvt Ltd (f.k.a.Hathway Datacom Central Pvt. Ltd).	61.99	-	61.99	42.46	-	45.80
Hathway Prime Cable & Datacom Pvt. Ltd.	-	0.02	0.02	-	0.02	0.02
Hathway New Concept Cable & Datacom Pvt. Ltd.	-	-	-	-	-	0.04
Hathway Kokan Crystal Cable Network Pvt. Ltd.	1.21	-	1.21	0.01	-	0.01
Bee Network & Communications Pvt. Ltd.	0.37	-	0.37	0.37	-	0.37
Binary Technology Transfers Pvt. Ltd.	1.63	-	1.63	1.63	-	1.67
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.	1.63	-	1.63	1.63	-	1.67
Hathway Nashik Cable Network Pvt. Ltd.	10.39	-	10.39	10.39	-	10.39
Hathway Space Vision Cabletel Pvt. Ltd.	1.04	-	1.04	1.04	-	1.04
Ideal Cables Pvt. Ltd.	0.41	-	0.41	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	-	1.17
Vision India Network Pvt. Ltd.	0.22	-	0.22	0.22	-	0.22
Win Cable & Datacom Pvt. Ltd.	20.22	-	20.22	20.22	-	20.22
Hathway Sai Star Cable & Datacom Pvt. Ltd.	-	1.40	1.40	-	1.40	1.40
Hathway SS Cable & Datacom LLP	-	0.21	0.21	-	0.21	0.21

* Amount less than ₹ 50,000

Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.

(a) None of the loanee has made, per se, investment in the shares of the Company.

(b) Investment made by Hathway Media Vision Pvt. Ltd in Hathway Bhawani Cabletel & Datacom Ltd - 21,60,000 equity shares of ₹ 2.46.

(c) Investment made by Hathway New Concept Cable & Datacom Pvt Ltd in Hathway Media Vision Private Limited - 2,000 preference shares of ₹ 0.00*

(d) Investment made by Hathway New Concept Cable & Datacom Pvt Ltd in Win Cable & Datacom Private Limited - 5,000 preference shares. of ₹ 0.01

* Amount less than ₹ 50,000

4.16 The Company being engaged in the business of providing infrastructure facilities, the provision of section 186 of the Companies Act, 2013 are not applicable and accordingly, disclosure of details with respect to Loan given, guarantee given and security made during the Financial Year 2018-19 and 2017-18, in terms of Section 186 (4) of the Act is not applicable. The Company has not made any investment in terms of Section 186 (4) of the Act. Accordingly, disclosure of investment made during the year is not given.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.17 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation Of Revenue

As the Company's business activity falls within a single business segment viz. providing Internet Services and allied services which is considered as the only reportable segment and the revenue substantially being in the domestic market, the financial statements are reflective of the information required by Ind AS 108 "Operating Segment". The nature, amount, timing and uncertainty of revenue and cash flows are similar across company's revenue from contracts with customers. Accordingly, there is no disaggregation of revenue disclosed.

Contract Balances

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

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

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

Particulars	March 31, 2019
Receivables, which are included in 'Trade and other receivables'	6.50
Contract assets (Unbilled Revenue)	-
Contract liabilities (Unearned Revenue)	72.42

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. The contract liabilities primarily relate to the billing recognized in advance where performance obligations are yet to be satisfied.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows.

Particulars	March 31, 2019	
	Contract assets	Contract liabilities
Balance at the beginning of the year	-	80.87
Add: Advance Income received from the customer during the year	-	72.42
Revenue recognised that is included in the contract liability balance at the beginning of the year	-	80.87
Balance at the end of the year	**-**	**72.42**

Performance Obligations and Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performances as the performance obligations relates to contracts that have an original expected duration of one year or less.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

Contract costs

The Company incurred cost of ₹ 36.96 as a result of obtaining customers. The Company has therefore capitalised them as customer acquisition cost.

Customer acquisition cost are amortised over a period of 5 years.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

4.18 The Company is in the process of evaluating the impact of the recent decision of the Supreme Court in case of Vivekananda Vidyamandir and the related circular dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "Basic Wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by the legal advice, the aforesaid matter is not likely to have a material impact as on March 31, 2019 and accordingly, no provision has been made in these financial statements.

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

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

(K.Y. Narayana)
Partner
Membership No: 060639

Place: Mumbai
Date: April 15, 2019

For and on behalf of the Board

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

(Ajay Singh)
Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Hathway Cable and Datacom Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **Hathway Cable and Datacom Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, its consolidated loss (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw your attention to Note no. 2.06 and 3.08 in respect of recognition of deferred tax assets and exceptional items comprising of impairment of trade receivables and exposure to certain entities including joint ventures and write down of property, plant & equipments respectively. Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on standalone financial statements/ consolidated financial statements and on the other financial information of the subsidiaries, associates and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. **Valuation and Disclosure of Deferred Tax Assets**

   Description of Key Audit Matter

   The Group has a significant amount of deferred tax assets, mainly resulting from unused tax losses and unabsorbed depreciation allowance. The accounting for deferred tax assets is significant to our audit since the Group makes judgements and estimates of forecasted taxable income in relation to the realization of deferred tax assets.

   As at March 31, 2019, the deferred tax assets are valued at ₹440.82 crores. Further reference is made to Note 2.06.

   Our response

   We tested group's assumptions used to determine that there is reasonable certainty that deferred tax assets recognized in the balance sheet will be realized. This is based upon forecasted taxable income and the periods when the deferred tax assets can be utilized. The forecasts were evaluated by us considering the recent capital infusion and related business plans approved by the Management. Such evaluation included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies.

   Our audit procedure also included obtaining representation from the management and auditor of the material subsidiary with particular focus on those related to calculation and recognition of deferred tax asset.

We also assessed the adequacy of the Group's disclosures included in Note 2.06.

2. **Impairment of Trade Receivables**

Description of Key Audit Matter

Refer to Note 2.10 on Trade receivables and Note 4.09 for disclosures on the trade receivables and the related risks such as credit risk.

The Group's major revenue streams arises from services provided to end use customers in the form of monthly subscription income and receivables from broadcasters for carriage / placement income. The trade receivables on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. In case of receivables from the carriage / placement income, the management reviews the credit-worthiness of the broadcasters based on their financial position, past experience and other factors. Trade receivables amounted to ₹568.93 crores as at March 31, 2019.

The collectability of trade receivables from subscribers and broadcasters is a key element of the Group's working capital management. The Group follows a simplified approach (i.e. based on lifetime Expected Credit Loss model (ECL)) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring the lifetime ECL allowance for trade receivables, the Group uses a provision matrix which comprise a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. In addition, in case there are events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.

Our response

We assessed the Group's processes and controls relating to the monitoring of trade receivables and considered ageing to identify collection risks. We obtained evidence of receipts subsequent to the year end from the customers. We assessed management's assumptions used to calculate the impairment loss on trade receivables, through analyses of ageing of receivables, assessment of significant overdue trade receivables. We assessed the overall reasonableness of the allowance for doubtful debts by comparing the actual loss trends across periods against the allowance rate applied.

Our audit procedure also included obtaining representation from the management and auditor of the material subsidiary relating to their evaluation and assessment of the assumptions adopted in impairment of trade receivables.

We assessed the adequacy of the disclosures on the trade receivables and the related risks such as credit risk in Note 4.09.

3. **Impairment of Property, Plant and Equipment**

Description of Key Audit Matter

There is a risk of impairment on the Group's property, plant and equipment ("PPE") due to the nature of its PPE and the business environment surrounding the PPE. As on March 31, 2019, the carrying amount of PPE was ₹1,440.65 crores which represent 22.43% of total assets. The management determines at the end of each reporting period the existence of any objective evidence that the Group's property, plant and equipment may be impaired. If there are indicators of impairment, the deficit between the recoverable amount of the property, plant and equipment and its carrying amount would be recognised as impairment loss in Statement of Profit and Loss.

The process of identifying indicators of impairment and determining the recoverable amount of the PPE by management requires significant judgement and estimation. The determination of the recoverable amounts requires estimates of forecasted revenues, growth rates, profit margins, tax rates and discount rates.

Our response

We assessed the determination of the recoverable amount of the PPE based on our understanding of the nature of the Group's business and the economic environment in which its PPE operate.

We reviewed the Group's historical performances and held discussions with management to understand their assessment of the Group's future performance. This included obtaining an understanding of management's planned strategies around business expansion, revenue stream growth strategies and cost initiatives. We assessed management's estimates applied in the value-in-use model based on our knowledge of the Group's operations, and compared them against historical forecasts and performance and tested the mathematical accuracy of the value-in-use model. We evaluated the sensitivity of the outcomes by considering the downside scenarios against changes to the key assumptions.

Our audit procedure also included obtaining representation from the management and auditor of the material subsidiary relating to their evaluation and assessment of the assumptions adopted in impairment of PPE. We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.

4. **Impairment of carrying cost of investments and net receivables from joint ventures and associates**

Description of Key Audit Matter

Refer to Notes 1.05, 1.08 and 1.12 for the relevant accounting policy and the critical judgements, assumptions and estimation uncertainties used in impairment assessment of cost of investments in joint ventures and associates and net receivables due from such entities at the reporting year end. Refer to Notes 4.11 and 4.10 for the investment in joint ventures and associates and amount due from such entities respectively.

Total carrying cost of investment in joint ventures and associates amounted to ₹644.34 crores and amount due from joint ventures and associates amounted to ₹ 68.08 crores. As these balances are significant, they are a key focus area for our audit.

For the non-performing joint ventures and associates or if they have significant negative equity balances, the Group will have exposure to loss on cost of investments in joint ventures and associates and amount due from such entities. Any impairment losses on the investments in joint ventures and associates and the related receivables from these entities have to be recognised in the Group's financial statements.

Management made a comparison of carrying values of the joint ventures and associates with the Group's share of net assets or liabilities of the joint ventures and associates to identify indications of impairment loss on these investments and receivables due from them. A total exposure of ₹712.42 crores was considered. This amount comprised ₹7.14 crores impairment of investment in joint ventures and associates and ₹46.82 crores impairment of net receivables from joint ventures and associates. The total impairment loss allowance for the year was ₹53.96 crores.

Our response

We have reviewed and considered management's assessment on the net assets or liabilities of these entities. We have also assessed management's basis to determine potential impairment in both financial and non-financial assets of these entities. We also had discussions with management on the prospects and future plans of these entities.

Our audit procedure also included obtaining representation from the management and auditor of the material subsidiary relating to their evaluation and assessment on the net assets or liabilities of these entities, management's basis to determine potential impairment in both financial and non-financial assets of these entities and prospects and future plans of these entities.

We have also assessed the adequacy of the disclosures made in the consolidated financial statements.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with Ind AS and other accounting principles generally accepted in India. The respective Governing Bodies of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matters" paragraph below.

We believe that the audit evidence obtained by us along with the consideration of the audit report of the other auditors referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS

We did not audit (a) financial statements of 27 subsidiaries, whose standalone financial statements reflect total assets of ₹63.07 crores as at March 31, 2019, total revenues of ₹50.61 crores and net cash inflows amounting to ₹0.43 crores for the year ended on that date, as considered in the consolidated financial statements; (b) consolidated financial statements of 1 subsidiary, whose consolidated financial statement reflects total assets of ₹1,374.34 crores as at March 31, 2019 , total revenues of ₹1,037.30 crores and net cash inflows amounting to ₹22.08 crores for the year ended on that date, as considered in the consolidated financial statements; (c) consolidated financial statements of 1 associate, whose consolidated financial statements include the Group's share of net profit of ₹ 7.15 crores for the year ended March 31, 2019; and (d) financial statements of 14 joint ventures and 2 associates, whose standalone financial statements include the Group's share of net profit of ₹1.07 crores for the year ended on March 31, 2019. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management of the Company and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143(3) of the Act, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, associates and joint ventures incorporated in India, none of the directors of the Group, its associates and joint ventures incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, associates and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors of subsidiaries, associates and joint ventures, as noted in the Other matters paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 4.04 (k) and 4.11 to the consolidated financial statements;

ii. The Group, its associates and joint ventures have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.- Refer Note 4.04 (l) to the consolidated financial statements ; and

iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor Education and Protection Fund by the Group, its associates and joint ventures.

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W

K.Y. Narayana
Partner
Membership No. 060639

Place: Mumbai
Dated: April 15, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (f) under Report on "Other Legal and Regulatory Requirements" of our Independent Auditor's Report on even date to the members of Hathway Cable and Datacom Limited ("the Holding Company) on the consolidated financial statements for the year ended March 31, 2019:

OPINION

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of **Hathway Cable and Datacom Limited (hereinafter referred to as 'the Holding Company')** and its subsidiaries, its associates and joint ventures, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company, its subsidiaries, its associates and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019 based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial control system with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements, in so far as it relates standalone financial statements of 27 subsidiaries, consolidated financial statements of 1 subsidiary, consolidated financial statements of 1 associate, standalone financial statements of 14 joint ventures and 2 associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W

K.Y. Narayana
Partner
Membership No. 060639

Place: Mumbai
Dated: April 15, 2019

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	2.01	1,440.65	1,641.63
Capital work in progress		103.60	55.68
Goodwill	2.02	92.20	92.20
Other Intangible assets	2.02	99.12	78.14
Investment accounted using equity method	4.11	637.20	641.73
Financial assets			
Investments	2.03	3.24	2.17
Loans	2.04	22.94	29.24
Other financial assets	2.05	27.81	28.41
Deferred tax assets (Net)	2.06	440.82	1.87
Other Non-current assets	2.07	99.78	144.80
Total Non-current assets		**2,967.36**	**2,715.87**
Current Assets			
Inventories	2.08	14.97	17.66
Financial Assets			
Investments	2.09	2,995.66	-
Trade receivables	2.10	120.77	390.44
Cash and cash equivalents	2.11	81.91	30.85
Bank balances other than Cash and cash equivalents	2.12	71.09	0.75
Loans	2.04	19.24	24.95
Other financial assets	2.05	12.24	4.12
Current Tax Assets (Net)	2.13	44.73	3.17
Other current assets	2.07	95.87	80.95
Total Current assets		**3,456.48**	**552.89**
Non-current assets classified as held for sale		-	0.60
Total Assets		**6,423.84**	**3,269.36**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2.14	354.02	166.10
Other Equity	2.15	3,285.49	626.29
Equity attributable to owners of the Company		**3,639.51**	**792.39**
Non - controlling interests		(0.84)	(3.88)
Total Equity		**3,638.67**	**788.51**
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
Borrowings	2.16	1,456.68	848.81
Other financial liabilities	2.17	14.76	11.91
Provisions	2.19	4.68	3.31
Other Non-current liabilities	2.20	89.93	148.86
Total Non-current liabilities		**1,566.05**	**1,012.89**
Current liabilities			
Financial Liabilities			
Borrowings	2.16	77.81	158.76
Trade payables		259.32	162.04
Other financial liabilities	2.17	683.96	933.53
Current Tax Liabilities (Net)	2.18	-	0.06
Provisions	2.19	0.60	6.40
Other current liabilities	2.20	197.43	207.17
Total current liabilities		**1,219.12**	**1,467.96**
Total Equity and Liabilities		**6,423.84**	**3,269.36**
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

For and on behalf of the Board

(K.Y. Narayana)
Partner
Membership No: 060639

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

(Ajay Singh)
Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

Place: Mumbai
Date: April 15, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
INCOME			
Revenue From Operations	3.01	1,558.29	1,534.62
Other Income	3.02	60.91	9.74
Total Income		**1,619.20**	**1,544.36**
EXPENSES			
Pay channel cost		609.85	569.35
Other operational expenses	3.03	253.30	263.90
Employee benefits expense	3.04	82.86	76.99
Finance costs	3.05	220.80	152.76
Depreciation, Amortisation & Impairment	3.06	352.41	334.70
Other expenses	3.07	303.50	288.75
Total Expenses		**1,822.72**	**1,686.45**
Profit / (loss) before share of profit/(loss) of associates / joint ventures and exceptional items		**(203.52)**	**(142.09)**
Share of net profit of associates and joint ventures accounted for using the equity method		6.58	39.13
Profit / (loss) before exceptional items and tax		(196.94)	(102.96)
Exceptional items	3.08	429.62	5.34
Profit / (loss) before tax		**(626.56)**	**(108.30)**
Tax expenses :	3.09		
Current tax		0.06	0.09
Deferred tax		(438.95)	(0.53)
		438.89	**0.44**
Profit / (loss) for the Year		**(187.67)**	**(107.86)**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Share of Other Comprehensive income /(loss) of associates and joint ventures accounted for using the equity method		0.16	0.13
Net Gain arising on financial assets measured at FVTOCI		1.07	-
Remeasurements of the post employment benefit obligations		(0.05)	2.59
Income tax relating to these items		(0.04)	(0.07)
Total other comprehensive income / (losses)		**1.14**	**2.65**
Total other comprehensive income / (loss) for the Year		**(186.53)**	**(105.21)**
Profit/(Loss) for the Year attributable to:			
Owners of the Parent		(187.57)	(99.08)
Non-controlling interests		(0.10)	(8.78)
		(187.67)	**(107.86)**
Other comprehensive income / (loss) for the Year attributable to :			
Owners of the Parent		1.13	(1.38)
Non-controlling interests		0.01	4.03
		1.14	**2.65**
Total comprehensive income / (loss) for the Year attributable to :			
Owners of the Parent		(186.44)	(100.46)
Non-controlling interests		(0.09)	(4.75)
		(186.53)	**(105.21)**
Earnings / (Loss) per equity share (Face value of ₹ 2 /- each) (Refer Note 4.01) :			
Basic and diluted (in ₹)		(1.90)	(1.30)
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

For and on behalf of the Board

(K.Y. Narayana)
Partner
Membership No: 060639

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

(Ajay Singh)
Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

Place: Mumbai
Date: April 15, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

A EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
Balance at March 31, 2017	2.14	**166.10**
Changes in equity share capital during the year		-
Balance at March 31,2018	2.14	**166.10**
Changes in equity share capital during the year		187.92
Balance at March 31,2019	2.14	**354.02**

B OTHER EQUITY

Particulars	Reserves and Surplus			Amount attributable to Owners of the parent	Non controlling interests (NCI)	Total
	Capital Reserve	Securities Premium	Retained earnings			
Balance at March 31, 2017	**0.10**	**1,877.01**	**(1,150.38)**	**726.73**	**0.87**	**727.61**
Profit/ (Loss) for the year	-	-	(99.08)	(99.08)	(8.78)	(107.86)
Other comprehensive income						
Remeasurements of the defined benefit plans	-	-	(1.44)	(1.44)	4.03	2.59
Income tax relating to items that will not be reclassified to profit or (loss)	-	-	(0.07)	(0.07)	-	(0.07)
Share of other comprehensive income/(loss) of Joint ventures and Associates	-	-	0.13	0.13	-	0.13
Total comprehensive income for the year	**-**	**-**	**(100.46)**	**(100.46)**	**(4.75)**	**(105.21)**
Balance at March 31, 2018	**0.10**	**1,877.01**	**(1,250.82)**	**626.29**	**(3.88)**	**622.39**
Profit/ (Loss) for the year	-	-	(187.57)	(187.57)	(0.10)	(187.67)
Other comprehensive income						
Remeasurements of the defined benefit plans	-	-	(0.07)	(0.07)	0.01	(0.06)
Income tax relating to items that will not be reclassified to profit or (loss)	-	-	(0.04)	(0.04)	-	(0.04)
Share of other comprehensive income/(loss) of Joint ventures and Associates	-	-	0.16	0.16	-	0.16
Net Gain arising on financial assets measured at FVTOCI	-	-	1.07	1.07	-	1.07
Others	-	-	(3.13)	(3.13)	3.13	-
Total comprehensive income for the year	**-**	**-**	**(189.58)**	**(189.58)**	**3.04**	**(186.54)**
Additions during the year (net of share issue expenses amounting to ₹ 2.94 adjusted against securities premium)	-	2,848.78	-	2,848.78	-	2,848.78
Deductions during the year	-	-	-	-	-	-
Balance at March 31, 2019	**0.10**	**4,725.79**	**(1,440.40)**	**3,285.49**	**(0.84)**	**3,284.63**

Summary of Significant Accounting Policies (Refer Note 1)

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

For and on behalf of the Board

(K.Y. Narayana)
Partner
Membership No: 060639

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

(Ajay Singh)
Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

Place: Mumbai
Date: April 15, 2019

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

	Year Ended March 31, 2019	Year Ended March 31, 2018
Cash flow from operating activities		
Profit / (Loss) Before Tax	(626.56)	(108.30)
Depreciation,amortisation and impairment	352.41	334.70
Impairment of trade/loan receivables	21.03	49.62
Share of net profit of associates and joint ventures accounted for using the equity method	(6.58)	(39.13)
Amount no longer payable written back	(6.05)	(2.40)
Excess provision reversed for leave encashment and gratuity	1.57	2.79
Unrealised foreign exchange loss / (gain)	(3.03)	1.53
Unwinding of interest	(1.77)	(1.21)
Net Loss on disposal of property, plant and equipment	6.24	1.14
Net gain on financial assets measured at fair value through profit or loss	(44.40)	(0.68)
MTM (Gain)/Losses on Swap	(1.92)	(4.60)
Interest Income from bank deposits & loans	(7.06)	(4.22)
Interest and finance charges	222.72	157.36
Exceptional Items (Refer Note no 3.08)	429.62	2.10
	336.22	**388.70**
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	(23.28)	(111.77)
Decrease/(increase) in inventories	2.69	4.00
Increase/(decrease) in trade payables	76.14	(11.87)
Decrease/(increase) in other financial assets	5.04	6.15
Decrease/(increase) in other non-current assets	(9.53)	(7.10)
Decrease/(increase) in other current assets	(14.31)	74.22
Increase/(decrease) in provisions	(4.28)	(7.50)
Increase/(decrease) in other liabilities	(68.48)	(40.86)
Increase/(decrease) in other financial liabilities	(38.82)	9.81
Cash generated from operations	**261.39**	**303.78**
Income taxes paid	(15.15)	(10.88)
Net cash flow from/(used in) operating activities (A)	**246.24**	**292.70**
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	(281.58)	(267.36)
Proceeds from sale of property, plant and equipment	2.71	2.64
Payments for purchase of investments	(7,944.36)	(114.47)
Proceeds from sale of investments	4,997.37	241.39
Invested in fixed deposits	(71.75)	(0.71)
Fixed Deposit redeemed during the year	1.41	-
Loans & Advances (Net)	1.20	1.63
Interest Income received from bank deposits & loans	5.55	4.07
Net cash flow from/(used in) investing activities (B)	**(3,289.45)**	**(132.81)**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

	Year Ended March 31, 2019	Year Ended March 31, 2018
Cash flows from financing activities		
Proceeds from issuance of Equity Shares	3,039.64	-
Expenses relating to equity infusion	(25.87)	-
Share issue expenses paid	(2.94)	-
Proceeds from Non current borrowings	1,144.69	923.52
Repayments of Non current borrowings	(760.14)	(975.98)
Net Proceeds/(Repayments) of current borrowings	(77.67)	43.14
Interest and finance charges	(220.15)	(156.38)
Net cash flow from/(used in) financing activities (C)	**3,097.56**	**(165.70)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**54.35**	**(5.61)**
Cash and cash equivalents at the beginning of the year	30.87	50.91
Bank overdraft at the beginning of the year	(5.57)	(20.00)
Cash and cash equivalents at the end of the year	**79.65**	**25.30**
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents		
Balances with banks:		
On current accounts	38.05	21.08
Deposits with banks with original maturity of 3 months or less	40.34	-
Cheques/drafts on hand	-	6.72
Cash on hand	3.54	3.07
Bank overdrafts	(2.28)	(5.57)
Balance as per the cash flow statement :	**79.65**	**25.30**

Note :

1. Above statement has been prepared by using Indirect method as per Ind AS - 7 on Statement of Cash flows
2. Changes in liabilities arising from financing activities:

	As at March 31, 2018	Net Cash flows	Non Cash Changes		As at March 31, 2019
			Foreign Exchange movement	Fair value changes	
Non Current borrowings	1,508.13	384.55	-	2.57	1,895.25
Current borrowings	153.19	(77.66)	-	-	75.53
Total liabilities from financing activities	**1,661.32**	**285.85**	**-**	**2.57**	**1,970.78**

	As at March 31, 2017	Net Cash flows	Non Cash Changes		As at March 31, 2018
			Foreign Exchange movement	Fair value changes	
Non Current borrowings	1,537.11	(31.41)	2.43	-	1,508.13
Current borrowings	110.25	43.14	-	(0.20)	153.19
Finance lease obligation	21.04	(21.04)	-	-	-
Total liabilities from financing activities	**1,668.40**	**(9.31)**	**2.43**	**(0.20)**	**1,661.32**

As per our report of even date
For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

For and on behalf of the Board

(K.Y. Narayana)
Partner
Membership No: 060639

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

(Ajay Singh)
Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

Place: Mumbai
Date: April 15, 2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

BACKGROUND

Hathway Cable and Datacom Limited ("the Company") is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in distribution of internet services through cable and has strategic stake in entities engaged in Cable Television business. Its equity shares are listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) in India.

AUTHORISATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were authorized for issue in accordance with a resolution of the Board of directors on April 15, 2019.

1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these consolidated financial statements. The consolidated financial statements are of the Company and its subsidiaries (collectively, "the Group").

1.01 BASIS OF PREPARATION

(i) Compliance with Ind AS

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

(ii) Historical cost convention

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

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

1.02 ROUNDING OF AMOUNTS

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

1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

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

An asset is classified as current if:

(i) it is expected to be realised or intended to sold or consumed in normal operating cycle;

(ii) it is held primarily for the purpose of trading;

(iii) it is expected to be realised within twelve months after the reporting period; or

(iv) the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(i) it is expected to be settled in normal operating cycle;

(ii) it is held primarily for the purpose of trading;

(iii) it is due to be settled within twelve months after the reporting period; or

(iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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All other liabilities are classified as non-current.

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

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

1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

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

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

Key assumptions

(i) Financial instruments; (Refer Note 4.08)

(ii) Useful lives of Property, Plant and Equipment and Intangible assets; (Refer Note 1.06 and 1.07)

(iii) Assets and obligations relating to employee benefits; (Refer Note 4.03)

(iv) Evaluation of recoverability of deferred tax assets; (Refer Note 2.06) and

(v) Contingencies (Refer Note 4.04) .

1.05 PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

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(iii) Joint Ventures

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.08 below.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity (Refer Note 4.11).

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or joint venture. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. The amounts previously recognised in other comprehensive income are reclassified to statement of Profit and Loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to statement of Profit and Loss where appropriate.

1.06 Property, Plant and Equipment

Property, Plant and Equipment acquired separately

(i) Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable taxes, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, finance cost. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

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(ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of Profit and Loss during the reporting period in which they are incurred.

(iii) Set Top Boxes (STBs) and Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalized or treated as sale, as the case may be.

(iv) The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

(v) Stores and Spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.

Derecognition of Property, Plant and Equipment

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

Depreciation on Property, Plant and Equipment

(vii) Depreciation on Property, Plant and Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Group has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the cost of STBs and Internet Access devices at the customer location which are depreciated on straight-line method over a period of eight years based on internal technical assessment.

(viii) In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.

(ix) All assets costing up to ₹ 5,000/- are fully depreciated in the year of capitalisation.

(x) Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Deemed cost for Property, Plant and Equipment

The Group had elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as of the date of transition to Ind AS measured as per the previous GAAP and use that carrying value as it's deemed cost as of the transition date.

1.07 INTANGIBLE ASSETS

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

Intangible Assets acquired separately

Intangible assets comprises of Cable Television Franchise, Movie and Serial Rights, Bandwidth Rights, Goodwill and Softwares, Network Franchise, Customer Acquisition Cost and Channel Design. 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.

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FOR THE YEAR ENDED MARCH 31, 2019

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

Intangible Assets acquired in business combination

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

Derecognition of intangible assets

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

Amortisation of intangible assets

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

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

- Softwares are amortised over the license period and in absence of such tenor, over five years.
- Movie and Serial Rights are amortised on exploitation over the balance license period in equal installments.
- Channel Design are amortised over the period of five years.
- Network Franchisee are amortised over the period of five to twenty years.
- Customer acquisition costs are amortised over the period of five years.
- Bandwidth Rights are amortised over the period of the underlying agreements.
- Cable television Franchise are amortised over the period of five to twenty years.

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

Deemed cost for Intangible assets

The Group had elected to continue with the carrying value of all of its Intangible assets recognised as of the date of transition to Ind AS measured as per the previous GAAP and use that carrying value as it’s deemed cost as of the transition date.

1.08 IMPAIRMENT OF ASSETS

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

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

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

1.09 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

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

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

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

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

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

1.10 INVENTORIES

Inventories are valued as follows:

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

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

1.11 CASH AND CASH EQUIVALENTS

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

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

1.12 FINANCIAL INSTRUMENTS

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

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

Classification and Subsequent Measurement: Financial Assets

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

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

Amortised Cost:

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

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

FVTOCI:

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

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

FVTPL:

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

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

Impairment of Financial Assets

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

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

Classification and Subsequent measurement: Financial Liabilities

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

Financial Liabilities at FVTPL:

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

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

Other Financial Liabilities:

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and

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other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities:

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

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

Offsetting Financial Instruments:

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

1.13 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS:

Classification as debt or equity:

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

Equity instruments:

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

1.14 BORROWING COSTS

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

1.15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

Contingent liabilities are disclosed in the case of:

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

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

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FOR THE YEAR ENDED MARCH 31, 2019

1.16 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

(i) Short-term obligations

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

(ii) Post-employment obligations

The Group operates the following post-employment schemes:

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

Gratuity obligations

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

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

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

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

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

Defined contribution plans

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

(iii) Other long-term employee benefit obligations

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

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

(iv) Bonus Plans

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

1.17 REVENUE RECOGNITION

(i) Income from Rendering of services and Sale of goods

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

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

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

To recognize revenues, the Group applies the following five step approach:

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

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time. While invoicing in excess of revenue are classified as contract liabilities (which we refer to as unearned revenue).

The Group presents revenues net of indirect taxes in its Statement of Profit and Loss.

(ii) Other Operating Income

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

(iii) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

(iv) Dividend Income

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

1.18 TAXES ON INCOME

Current Tax

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Deferred tax

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

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

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

1.19 EARNINGS PER SHARE

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

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

1.20 LEASES

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

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As a Lessee

Finance Lease

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

Operating Lease

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

As a Lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

1.21 FOREIGN CURRENCY TRANSLATIONS

(i) Functional and presentation currency

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

(ii) Transactions and balances

Monetary items

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

Non – Monetary items:

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

1.22 SEGMENT REPORTING

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

a) Segment revenue includes sales and other income directly attributable with allocable to segments including inter-segment revenue.

b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallowable expenditure.

c) Income which relates to the Group as a whole and not allocable to segments is included in unallowable income.

d) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liability represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

2.01 PROPERTY, PLANT AND EQUIPMENT :

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2018	Addition #	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year ***	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:										
Plant and Equipment	2,241.31	188.78	185.02	2,245.07	631.23	313.91	113.69	831.45	1,413.62	1,610.07
Furniture & Fixtures	19.77	0.81	-	20.58	6.28	2.35	-	8.63	11.95	13.49
Motor Vehicles	2.53	-	-	2.53	0.94	0.37	-	1.31	1.22	1.59
Office Equipments	4.45	0.40	-	4.85	2.39	0.91	-	3.30	1.55	2.06
Computers	10.02	0.81	-	10.83	6.71	1.76	-	8.47	2.36	3.31
Air conditioners	6.30	0.53	-	6.83	2.80	1.16	-	3.96	2.87	3.50
Structural fittings	3.06	0.45	-	3.51	0.89	0.53	-	1.42	2.09	2.17
Electrical Fittings	6.96	0.72	-	7.68	2.05	1.05	-	3.10	4.58	4.91
Mobile & Telephone	1.22	0.05	-	1.27	0.70	0.16	-	0.86	0.41	0.52
Movie Master Tapes	0.01	*	-	0.01	-	-	-	-	0.01	0.01
Total	**2,295.63**	**192.55**	**185.02**	**2,303.16**	**654.00**	**322.20**	**113.69**	**862.50**	**1,440.65**	**1,641.63**

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Impairment				Net Carrying Amount	
	As at April 1, 2017	Addition #	Disposal	As at March 31, 2018	As at April 1, 2017	For the Year ***	Elimination on disposal	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Own Assets:										
Plant and Equipment	1,913.92	368.69	41.30	2,241.31	376.62	290.35	35.73	631.23	1,610.08	1,537.30
Furniture & Fixtures	17.17	2.62	0.02	19.77	3.80	2.50	0.02	6.28	13.49	13.37
Motor Vehicles	2.13	0.40	*	2.53	0.61	0.33	*	0.94	1.59	1.52
Office Equipments	3.39	1.06	*	4.45	1.29	1.10	*	2.39	2.06	2.10
Computers	9.17	0.86	0.01	10.02	4.20	2.52	0.01	6.71	3.31	4.97
Air conditioners	5.05	1.28	0.03	6.30	1.62	1.19	0.01	2.80	3.50	3.43
Structural fittings	1.73	1.33	-	3.06	0.52	0.37	-	0.89	2.17	1.21
Electrical Fittings	5.19	1.77	*	6.96	1.03	1.02	*	2.05	4.91	4.16
Mobile & Telephone	0.98	0.24	-	1.22	0.46	0.24	-	0.70	0.52	0.52
Movie Master Tapes	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Total	**1,958.74**	**378.25**	**41.36**	**2,295.63**	**390.15**	**299.62**	**35.77**	**654.00**	**1,641.63**	**1,568.59**

* Amount Less than ₹ 50,000/-

*** Depreciation for the Year includes Impairment of Plant and Machinery ₹ 50.67 (March 31, 2018 : ₹ 12.20)

The Company has capitalized exchange gain / (loss) arising on long-term foreign currency loan amounting to ₹ (1.33) [March 31, 2018: ₹ (1.14)] to the cost of plant and equipments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

2.02 INTANGIBLE ASSETS :

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount					Accumulated Depreciation / Impairment					Net Carrying Amount	
	As at April 1, 2018	Addition	Disposal	Other Adjustments	As at March 31, 2019	As at April 1, 2018	For the Year **	Elimination on disposal	Other Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Goodwill (acquired separately)	9.93	-	-	-	9.93	2.12	-	-	-	2.12	7.81	7.81
Goodwill on Consolidation	84.39	-	-	-	84.39	-	-	-	-	-	84.39	84.39
Customer Acquisition Cost	-	36.96	-	-	36.96	-	4.17	-	-	4.17	32.79	-
Softwares	93.73	8.61	-	-	102.34	65.80	13.27	-	-	79.07	23.27	27.93
Bandwidth Rights	21.55	0.01	-	-	21.56	4.29	1.72	-	-	6.01	15.55	17.26
Movie & Serial Rights	22.10	5.61	-	-	27.71	16.00	6.83	-	-	22.83	4.89	6.10
Network Franchise	6.05	-	-	-	6.05	1.72	0.42	-	-	2.14	3.91	4.33
Cable Television Franchise	35.06	0.03	-	-	35.09	13.31	3.59	-	-	16.90	18.19	21.75
Channel Design	1.21	-	-	-	1.21	0.44	0.24	-	-	0.68	0.52	0.77
Total	**274.02**	**51.22**	**-**	**-**	**325.24**	**103.68**	**30.24**	**-**	**-**	**133.92**	**191.32**	**170.34**

(₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount					Accumulated Depreciation / Impairment					Net Carrying Amount	
	As at April 1, 2017	Addition	Disposal	Other Adjustments	As at March 31, 2018	As at April 1, 2017	For the Year**	Elimination on disposal	Other Adjustments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Goodwill (acquired separately)	9.93	-	-	-	9.93	1.44	0.68	-	-	2.12	7.81	8.49
Goodwill on Consolidation	84.39	-	-	-	84.39	-	-	-	-	-	84.39	84.39
Softwares	81.63	12.10	-	-	93.73	42.29	23.51	-	-	65.80	27.93	39.34
Bandwidth Rights	20.53	1.02	-	-	21.55	2.56	1.73	-	-	4.29	17.26	17.97
Movie & Serial Rights	16.53	5.57	-	-	22.10	11.64	4.36	-	-	16.00	6.10	4.89
Network Franchise	6.05	-	-	-	6.05	1.09	0.63	-	-	1.72	4.33	4.96
Cable Television Franchise	35.26	-	0.20	-	35.06	9.44	3.92	0.05	-	13.31	21.75	25.82
Brand Value	1.21	-	-	-	1.21	0.20	0.24	-	-	0.44	0.77	1.01
Total	**255.53**	**18.69**	**0.20**	**-**	**274.02**	**68.66**	**35.07**	**0.05**	**-**	**103.68**	**170.34**	**186.87**

** Amortisation during the Year includes Impairment of Intangible assets ₹ 0.44 (March 31, 2018 : ₹ 1.55)

1. Range of remaining Year of amortisation as at March 31, 2019 of other Intangible assets is as below :

Assets	0 - 5 Years	6 - 10 Years	More than 10 Years	Total
Softwares	23.27	-	-	23.27
Customer Acquisition Cost	32.79	-	-	32.79
Bandwidth Rights	8.13	6.42	1.00	15.55
Movie & Serial Rights	4.89	-	-	4.89
Cable Television Franchise	11.49	6.13	0.57	18.19
Network Franchise	2.16	1.72	0.03	3.91
Channel Design	0.52	-	-	0.52
	83.25	**14.27**	**1.60**	**99.12**

2. Refer note no 2.16 (b) for information on Property, Plant and Equipment pledged as security of the group.
3. Refer note no 4.05 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

2.03 INVESTMENTS

	Face value per unit (₹)	As at March 31, 2019		As at March 31, 2018	
		No. of shares	Amount	No. of shares	Amount
Non-Current					
Investments in equity instrument designated at fair value through other comprehensive income - Unquoted (fully paid)					
Hathway Patiala Cable Pvt Ltd	10	71,175	3.08	71,175	2.01
Hathway Cable Entertainment Pvt Ltd	10	-	-	-	-
Hathway Jhansi JMDSR Cable & Datacom Pvt Ltd	10	-	-	-	-
Investments in Government securities measured at amortised cost - Unquoted					
National Savings Certificates			0.16		0.16
			3.24		**2.17**
Aggregate amount of unquoted investments			0.16		0.16
Aggregate value of investments designated at FVTOCI			3.08		2.01
Aggregate amount of impairment in value of investments			-		-

2.04 LOANS

	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Security Deposits				
Considered good - unsecured	22.74	21.87	9.69	10.40
Loan receivables - credit impaired	0.33	0.33	-	-
	23.07	22.20	9.69	10.40
Less : Provision for impairment	(0.33)	(0.33)	-	-
(A)	**22.74**	**21.87**	**9.69**	**10.40**
Loans to related parties				
Considered good - Unsecured				
Loans to Joint Ventures	0.20	7.16	9.22	14.08
Loans to Firm in which Subsidiaries are partner	0.00	0.21	-	-
Investment in Preference share capital	0.00	-	-	-
Loan receivables - credit impaired	37.99	27.16	-	-
	38.19	**34.53**	**9.22**	**14.08**
Less : Provision for impairment	(37.99)	(27.16)	-	-
(B)	**0.20**	**7.37**	**9.22**	**14.08**
Other Loans				
Considered good - Unsecured	-	-	0.33	0.47
Loan receivables - credit impaired	6.72	6.50	-	-
	6.72	6.50	0.33	0.47
Less : Provision for impairment	(6.72)	(6.50)	-	-
(C)	-	-	0.33	0.47
Total (A + B + C)	**22.94**	**29.24**	**19.24**	**24.95**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

2.05 OTHER FINANCIAL ASSETS

	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Share application money (Refer Note no. 4.04(c))	0.26	0.26	-	-
Accrued interest	0.01	0.01	2.38	0.86
Unbilled Revenue#	-	-	9.26	2.49
Bank deposits with more than 12 months maturity^	27.54	28.14	-	-
Other Receivables	-	-	0.60	0.77
Total	**27.81**	**28.41**	**12.24**	**4.12**

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

^Marked under lien in favour of banks.

2.06 DEFERRED TAX ASSETS (NET)*

	As at March 31, 2019	As at March 31, 2018
The balance comprises of temporary differences attributable to -		
Deferred Tax Assets in relation to :		
Property, Plant & Equipment	53.53	-
Unabsorbed Depreciation / Business Loss	380.59	36.96
Others	31.57	2.17
	465.69	**39.13**
Deferred Tax Liabilities in relation to :		
Property, Plant & Equipment	24.87	29.74
Others	-	7.52
	24.87	**37.26**
Net Deferred Tax Assets	**440.82**	**1.87**

Significant Estimates -

* The deferred tax assets recognised during the year is mainly in respect of unabsorbed depreciation allowance available for set off for indefinite period in terms of applicable tax laws. Considering the revision in business plans and growth strategy of the Group, pursuant to fresh infusion of equity capital and implementation of New Tariff Order; the Management is reasonably certain of future taxable income and hence recovery of such deferred tax assets.

The movement in deferred tax asset/ liabilities during the year ended March 31, 2019 and March 31, 2018:

Particular	As at March 31, 2018	Recognised in Profit / (Loss)	As at March 31, 2019
Deferred Tax Assets in relation to :			
Property, Plant & Equipment	-	53.53	53.53
Unabsorbed Depreciation / Business Loss	36.96	343.62	380.59
Others	2.17	29.40	31.57
Total	**39.13**	**426.55**	**465.69**
Deferred Tax Liabilities in relation to :			
Property, Plant & Equipment	29.74	(4.88)	24.87
Others	7.52	(7.52)	-
Total	**37.26**	**(12.40)**	**24.87**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Unrecognised deductible temporary differences,unused tax losses and unused tax credits on which deferred tax asset has not been recognised:

Expiry of losses	2019-20	2020-21	2021-22	2022-23	2023-24	Beyond 5 Years	Indefinite	Total
Business losses	0.54	0.80	1.40	3.38	13.85	21.70	-	41.66
Unabsorbed depreciation	-	-	-	-	-	-	7.87	7.87
Deductible temporary differences	-	-	-	-	-	-	154.84	154.84
Total	**0.54**	**0.80**	**1.40**	**3.38**	**13.85**	**21.70**	**162.71**	**204.38**

2.07 OTHER ASSETS

	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Capital Advances				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	0.19	0.19	-	-
Advance to Suppliers	11.26	13.94	-	-
Doubtful	2.22	2.74	-	-
	13.67	16.87	-	-
Less : Allowance for bad and doubtful advances	(2.22)	(2.74)	-	-
(A)	**11.45**	**14.13**	**-**	**-**
Advances other than Capital Advances				
Unsecured, considered good unless stated otherwise				
Balance with Government authorities:				
CENVAT/ Service Tax /GST Receivable	4.07	3.84	41.02	40.55
Advance Income Tax (Net of provision)	47.24	73.78	-	-
Deposit paid under protest	23.81	33.94	-	-
Balance with statutory authorities	-	-	-	1.04
Prepaid expenses	2.83	8.29	8.33	11.00
Staff Advances	-	-	0.35	0.62
Sundry Advances	1.30	10.82	45.61	27.24
Other Receivables	9.08	-	0.47	0.46
Others	*	*	0.09	0.04
Doubtful	10.23	1.79	-	-
	98.56	132.46	95.87	80.95
Less : Allowance for doubtful advances	(10.23)	(1.79)	-	-
(B)	**88.33**	**130.67**	**95.87**	**80.95**
Total (A+B)	**99.78**	**144.80**	**95.87**	**80.95**

* Amount less than ₹ 50,000

2.08 INVENTORIES

	As at March 31, 2019	As at March 31, 2018
Stock of Spares & Maintenance Items	14.97	17.66
Total	**14.97**	**17.66**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

2.09 CURRENT INVESTMENTS

	As at March 31, 2019	As at March 31, 2018
Investments measured at fair value through profit or loss - Unquoted		
Investment in Mutual Funds	2,995.66	-
Total	**2,995.66**	**-**
Aggregate amount of unquoted investments	2,966.74	-

2.10 TRADE RECEIVABLES

	Current	
	As at March 31, 2019	As at March 31, 2018
Trade Receivable - Unsecured	568.93	557.57
	568.93	**557.57**
Less : Provision for impairment	448.16	167.13
Total	**120.77**	**390.44**

2.11 CASH AND CASH EQUIVALENTS

	As at March 31, 2019	As at March 31, 2018
Balances with banks:		
In Current Accounts	38.03	21.06
Deposits with banks with original maturity of 3 months or less	40.34	-
Cheques on hand	-	6.72
Cash on hand	3.54	3.07
Total	**81.91**	**30.85**

2.12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2019	As at March 31, 2018
In Current Accounts	0.02	0.02
Deposits with original maturity for more than 3 months but less than 12 months	71.07	0.73
Total	**71.09**	**0.75**

2.13 CURRENT TAX ASSETS (NET)

	As at March 31, 2019	As at March 31, 2018
Advance Income Tax (net of provision)	44.73	3.17
Others	-	*
Total	**44.73**	**3.17**

* Amount less than ₹ 50,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

2.14 EQUITY SHARE CAPITAL

	As at March 31, 2019	As at March 31, 2018
Paid up Share Capital comprises :		
1,770,104,500 (March 31, 2018: 830,494,500) Equity Shares of ₹ 2/- each fully paid up	354.02	166.10
Total	**354.02**	**166.10**

a. Reconciliation of the number of shares outstanding as at the beginning and at the end of the reporting year:

	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹ 2 each				
Shares Outstanding at the beginning of the Year	83,04,94,500	166.10	83,04,94,500	166.10
Shares Issued during the year under preferential allotment (Refer note (f) below)	93,96,10,000	187.92	-	-
Shares Outstanding at the end of the year	**1,77,01,04,500**	**354.02**	**83,04,94,500**	**166.10**

b. Rights, preference and restrictions attached to shares:

Terms/ Rights attached to Equity Shares

The Company has issued only one class of equity shares having face value of ₹ 2 (March 31, 2018 : ₹ 2) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

c Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Name of the Shareholder	As at March 31, 2019 No. of Shares held	As at March 31, 2018 No. of Shares held
Equity Shares of ₹ 2 each		
Jio Content Distribution Holdings Private Limited $	74,93,82,454	-
Jio Internet Distribution Holdings Private Limited $	30,03,37,845	-
Jio Cable and Broadband Holdings Private Limited $	22,39,80,916	-

$ Controlled by Digital Media Distribution Trust of which Reliance Content Distribution Limited - Wholly owned Subsidiary of Reliance Industries Limited, is the sole beneficiary.

d. Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of ₹ 2 each				
Mr. Akshay Raheja	12,14,13,000	6.86	12,14,13,000	14.62
Mr. Viren Raheja	11,95,53,000	6.75	11,95,53,000	14.40
Hathway Investments Private Limited	11,26,45,015	6.36	8,18,45,015	9.85
Jio Content Distribution Holdings Private Limited	74,93,82,454	42.34	-	-
Jio Internet Distribution Holdings Private Limited	30,03,37,845	16.97	-	-
Jio Cable and Broadband Holdings Private Limited	22,39,80,916	12.65	-	-
CLSA Global Markets Pte. Ltd.	-	-	7,93,46,924	9.55
P6 Mauritius India Holding Limited	-	-	7,07,17,760	8.52
P5 Asia Holding Investments (Mauritius) Limited	-	-	5,27,83,220	6.36

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

e. **Shares reserved for issue under options (ESOP)**

The shareholders of the company have approved ESOP to the Managing Director (MD) on October 4, 2018. Under this ESOP Plan, the MD will be issued 53,60,000 ESOPs of at a price of ₹ 19 per option upon exercise of which the MD will be entitled to 53,60,000 ESOPs in the Company.

In addition to the ESOPs mentioned above, the company shall pay the MD an amount in cash, provided he is in employment of the company on the Vesting Date (i.e. has completed the Term), which amount shall be calculated in the following manner – if, the closing market price per equity share of the Company on the BSE Limited as on the Vesting Date (Closing Market Price):

(a) is less than ₹ 19 per share, MD will be paid an amount in cash which shall be calculated as follows:

[53,60,000 equity shares * Closing Market Price]

(b) is in excess of ₹ 19 per share, MD will be paid an amount in cash which is to be calculated as follows:

[53,60,000 equity shares * ₹ 19 i.e. ₹ 10,18,40,000/-]

The amount referred to in this clause, shall be paid within 30 days of the Vesting Date and shall be subject to applicable withholding taxes.

However, on the date of the balance sheet, these options are yet to be granted to the MD.

f The Company has allotted on preferential basis 3,08,00,000 equity shares of ₹ 2 each at a premium of ₹ 30.35 per share to Hathway Investments Private Limited

Further, the Company has allotted on preferential basis 908,810,000 equity shares of ₹ 2 each at a premium of ₹ 30.35 per share to the following entities (the 'Acquirers') aggregating to ₹ 2,940 representing 51.34% of post allotment equity share capital of the Company:

Name of the Acquirer	No. of equity shares	Amount
Jio Content Distribution Holdings Private Limited	53,46,98,609	1729.75
Jio Internet Distribution Holdings Private Limited	21,42,96,755	693.25
Jio Cable and Broadband Holdings Private Limited	15,98,14,636	517.00
Total	**90,88,10,000**	**2940.00**

Pursuant to the aforesaid preferential allotment, the Acquirers have acquired sole control of the Company and the Acquirers and the Persons Acting in Concert (PAC) namely Reliance Industries Limited, Digital Media Distribution Trust, Reliance Content Distribution Limited and Reliance Industrial Investments and Holdings Limited have become part of the 'promoter and promoter group' of the Company.

Further, on February 26, 2019 the Acquirers acquired an aggregate of 364,891,215 equity shares representing 20.61% of the total paid-up equity share capital of the Company pursuant to an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Accordingly, as at March 31. 2019, the aggregate holding of the Acquirers in the Company stood at 1,273,701,215 equity shares of the Company representing 71.96% of the total paid-up equity share capital of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

2.15 OTHER EQUITY

	As at March 31, 2019	As at March 31, 2018
Retained earnings	(1,440.40)	(1,250.82)
Capital reserve	0.10	0.10
Securities premium	4,725.79	1,877.01
	3,285.49	**626.29**

Description of the nature and purpose of each reserve within equity is as follows :

(a) **Retained earnings:**

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

(b) **Securities premium**

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

2.16 NON-CURRENT BORROWINGS

	Non Current portion		Current maturities of long term debt	
	As at March 31, 2019	**As at March 31, 2018**	**As at March 31, 2019**	**As at March 31, 2018**
Term Loans				
Secured				
From Banks	973.00	520.80	319.91	108.18
From Others	382.18	324.77	116.97	78.44
Unecured				
From Others	1.24	2.76	1.52	1.38
FCNR loan from Banks				
Secured	-	-	-	24.34
Buyers Credit				
Secured	-	-	-	446.94
Vehicle loan from Banks				
Secured	0.26	0.44	0.17	0.04
Unsecured				
Intercorporate deposit	100.00	-	-	
Preference shares	-	0.04	-	-
Total	**1,456.68**	**848.81**	**438.57**	**659.32**
Amount disclosed under the head 'Other financial liabilities' (Note 2.17)				
Less : Current maturities of long-term debts (included in Note 2.17)			438.57	659.32
Net Amount	**1,456.68**	**848.81**	**-**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

CURRENT BORROWINGS

	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand		
Secured		
Working Capital Loans repayable on demand from a bank	15.00	55.00
Cash Credit with banks	41.78	50.77
Overdraft with bank	2.28	5.57
Unsecured		
From Banks	18.75	47.42
Total	**77.81**	**158.76**

a) Nature of Security and terms of repayment for Secured Borrowing:

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
			Non Current	Current	Non Current	Current
	NON- CURRENT BORROWING					
1	**Term Loan from Banks**					
1.01	**Yes Bank Ltd.**					
	Secured by first pari passu hypothecation of present and future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Moratorium period of 24 months from date of first disbursement. Post moratorium, principal to be repaid in 12 equal quarterly installments. Applicable rate of inetest is Yes Bank 12 Month MCLR + 0.8%	10.22	15.32	30.65	-
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.02	**Yes Bank Ltd.**					
	Secured by second pari passu hypothecation of present and future Fixed assets and Current Assets of the Company	Moratorium period of 12 months from date of first disbursement. Post moratorium, principal to be repaid in 16 quarterly installments. 6 Month MCLR+ 1%	122.53	18.75	96.28	2.50
	Pledge of 18% equity shares of Hathway Digital Private Limited (HDPL) and 18% shares of HDPL under Non Disposal Undertaking arrangement					
1.03	**Yes Bank Ltd.**					
	Secured by second pari passu hypothecation of present and future Fixed assets and Current Assets of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Moratorium period of 12 months from date of first disbursement. Post moratorium, principal to be repaid in 16 quarterly installments. 6 Month MCLR+ 1%	80.05	12.50	95.05	2.50
	Pledge of 12% equity shares of Hathway Digital Private Limited (HDPL) and 12% shares of HDPL under Non Disposal Undertaking arrangement					
1.04	**Yes Bank Ltd.**					
	Secured by first pari passu hypothecation of present and future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	"Principal repayable as -Year 1 and 2 - 10% of amount drawdown in four equal quarterly installments in each of the years -Year 3 - 15% of amount drawdown in four equal quarterly installments -Year 4 - 20% of amount drawdown in four equal quarterly installments -Year 5 and 6 - 22.5% of amount drawdown in four equal quarterly installments in each of the years Applicable rate of interest is Yes Bank 12 Months MCLR + 0.15%"	337.38	34.50	45.00	5.00
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
			Non Current	Current	Non Current	Current
1.05	**Indusind Bank Ltd**					
	Secured by first pari passu hypothecation of present and future Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Moratorium period of 12 months from date of first disbursement. Post moratorium, principal to be repaid in 16 quarterly installments. Applicable Rate of Interest 1Year IBL MCLR+ 1.1%	60.98	30.77	39.37	5.88
	Secured by first pari passu charge hypothecation of present and future Current Assets of the Company and of HDPL					
1.06	**Axis Bank Ltd.**					
	Secured by first pari passu hypothecation of present and future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable in 12 equal quarterly installments with 1st installment due after 36 months after the date of drawdown to be paid at the end of each quarter. Applicable rate of Interest is Axis Bank 1Y MCLR + 2.45%	44.24	27.57	21.84	4.37
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.07	**Kotak Mahindra Bank Ltd.**					
	Secured by first pari passu hypothecation of present & future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable in 16 equal quarterly installments with 1st installment due 12 months after the date of drawdown. Applicable rate of Interest is Applicable Rate of Interest is 6 Months MCLR + 2.25%.	5.00	5.00	10.00	5.00
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.08	**RBL Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	"Principal Repayable at below terms a) 10% to be paid at the end of 12 months from the date of first drawdown b) 5% at the end of 18 months and thereafter equal quartely installments till the maturity of the Loan Applicable Rate of interest is RBL Base rate + 0.45%	7.59	6.07	13.66	6.07
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.09	**RBL Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal Repayable at below terms 10 half yearly installments from the date of first disbursement.Applicable Rate of interest is 1 Year MCLR + 0.75%	5.70	2.63	8.32	2.63
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.10	**RBL Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal Repayable at below terms 10 half yearly installments from the date of first disbursement.Applicable Rate of interest is 1 Year MCLR + 0.45%	5.73	2.87	8.60	2.87
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
			Non Current	Current	Non Current	Current
1.11	**RBL Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable as - 2.5% of Disbursed Amount Quarterly for first 8 Quarters. - 6.67% of Disbursed Amount Quarterly for rest 12 Quarters 3 Months MCLR + 0.2%	72.00	9.00	63.00	7.00
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.12	**RBL Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	"Principal Repayable at below terms quarterly instalments to be paid over 5 years from the date of first drawdown in the following manner: for the 1st year and 2nd year- 10% and for each of the balance 3 years - 26.67%. Applicable Rate of interest is 3 Months MCLR + 0.20%"	80.85	9.80	-	-
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.13	**RBL Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Moratorium period of 6 months from date of disbursement. Principal Repayable in equal quarterly instalments to be paid over 5 years. Applicable Rate of interest is 3 Months MCLR + 0.55%	34.75	4.50	-	-
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.14	**ICICI Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Equated Quarterly Repayment starting from 27th Month from the date of each drawdown of Buyers credit. No repayment to exceed 5 years from the date of first drawdown. Applicable Rate of interest is one Year ICICI Bank MCLR + 2.8%	-	13.62	13.62	1.93
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.15	**ICICI Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Equated Quarterly Repayment starting from on or before 42nd Month from the date of each drawdown of Buyers credit. No repayment to exceed 6 years from the date of first drawdown. Applicable Rate of interest is one Year ICICI Bank MCLR + 2.2%	22.44	43.61	66.05	30.64
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.16	**ICICI Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	"Equated Quarterly repayment starting from 15th month from date of first drawdown. However no repayment to exceed the final repayment date i.e. February 14, 2020. Applicable Rate of interest is one Year ICICI Bank MCLR + 2.3%"	-	75.40	27.71	-
	Secured by first pari passu hypothecation of present & future Current Assets of HDPL					

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FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
			Non Current	Current	Non Current	Current
1.17	**ICICI Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Equated Quarterly Repayment starting from 12th Month from the date of first drawdown. No repayment to exceed 5 years from the date of first drawdown. Applicable Rate of interest is one Year ICICI Bank MCLR + 1.58%	9.41	0.59		
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
1.18	**ICICI Bank Ltd**					
	Secured by second pari passu hypothecation of present and future Fixed assets and Current Assets of the Company and of Hathway Cable and Datacom Limited (HCDL), parent of the Company	Equated Quarterly repayment starting from 15th month from date of drawdown. However no repayment to exceed 4 years from the date of first drawdown. Applicable Rate of interest is one Year ICICI Bank MCLR + 1.75%	30	-		
	Pledge of 12% equity shares of the Company.					
1.19	**IDFC Bank Ltd.**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Cable and Datacom Limited (HCDL), parent of the Company	Repayment in 24 equal quarterly instalments from the date of drawdown. Applicable Rate of interest is one Year IDFC Bank 1 Y MCLR + 0.50%	60.21	14.17		
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HCDL					
2	**Term Loan From Others**					
2.01	**Aditya Birla Finance Ltd.**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Equated Quarterly Repayment from the date of each drawdown of Loan . No repayment to exceed 3 years from the date of first drawdown. Applicable Rate of Interest is 1Year MCLR+ 2.8%	-	12.86	12.86	42.77
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
2.02	**Aditya Birla Finance Ltd.**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Seventeen equal quarterly installments starting after 1 year from the date of first drawdown of Loan. Applicable Rate of Interest is 6 months ICICI MCLR+ 1.65%	61.76	13.24		
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
2.03	**Housing Development Finance Corporation Ltd.**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable in 6 equal quarterly installments of ₹ 18.21 with 1st installment due from December 2019. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC Corporate Prime Lending Rate - 7.65%.	68.34	31.66	100.00	-
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					

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FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
			Non Current	Current	Non Current	Current
2.04	**Housing Development Finance Corporation Ltd.**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Cable and Datacom Limited (HCDL), parent of the Company	Principal repayable in 16 equal quarterly installments with 1st installment due after 27 months after the date of drawdown. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC Corporate Prime Lending Rate - 7.65%.	87.50	12.50		
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HCDL					
2.05	**IDFC Infrastructure Finance Ltd.**					
	Secured by first pari passu first hypothecation of all fixed assets, both present and future including plant and machinery, machinery spares, tools and accessories, furnitures, fixtures, vehicles and all other assets, of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Principal repayable in 16 equal quarterly installments commencing from 30 June 2018. Applicable rate of Interest is IDFC Infrastructure Finance Limited 5 Year Benchmark+ 2.15%.	50.00	25.00	75.00	25.00
	Secured by first pari passu first hypothecation on entire receivables, book debts and entire intangible assets, goodwill, and uncalled capital, both present and future, of the Company and of HDPL.					
2.06	**India Infradebt Limited**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	Quarterly Repayment from the date of First Disbursement 1) 1.875% of Principal to be repaid from Quarter 1 to Quarter 4 2) 3.75% of Principal to repaid from Quarter 5 to Quarter 8 3) 5.00% of Principal to repaid from Quarter 9 to Quarter 12 4) 6.875% of Principal to repaid from Quarter 13 to Quarter 16 5) 7.5% of Principal to repaid from Quarter 17 to Quarter 20 Applicable Rate of Interest is 9.50%.	116.25	22.50	138.75	11.25
	Secured by first pari passu charge on present and future entire cashflows, receivables, book debts and revenue and entire intangible assets including but not limited to, goodwill and uncalled capital, intellectual property, of the Company and of HDPL					
	Secured by pari passu first charge/assignment over all the right, title, interest, benefits, claims and demands in any letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee, of the Company and of HDPL.					
3	**Unsecured**					
3.01	**Cisco System Capital India Private Limited**	12 Equal Quarterly Installments starting from 30th January 2018.	1.24	1.52	2.76	1.38
3.02	**Intercorporate Deposits**					
i	**Bloomingdale Investment and Finance Private Limited**					
	principal payable after 3 years from the date of disbursement. Applicable rate of interest is 8% p.a.		100.00	-		

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(₹ in Crores unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2019 Non Current	As at March 31, 2019 Current	As at March 31, 2018 Non Current	As at March 31, 2018 Current
4	**Vehicle Loans from Banks**					
4.01	**Daimler Finanial Services (India) Pvt Ltd**					
	Secured by Hypothecation of Vehicle	Principal repayable in 60 equal installments along with Interest. Applicable rate of interest is 10.71%. 1st Installment due from Jun'15.	0.10	0.12	0.22	-
4.02	**Toyota Financial Services India Ltd**					
	Secured by Hypothecation of Vehicle	Equated Monthly Installment starting from March 2018 to Februaury 2023.	0.16	0.05	0.22	0.04
5	**5% Non-Cumulative Redeemable Preference Shares (face value ₹ 10 each)**					
	Unsecured	Redeemable at par on April 30, 2021	-	-	0.04	-
	Gross Non-Current Borrowings		**1,474.43**	**446.09**	**869.00**	**156.96**
	Add: Loan fully repaid prior to the Balance sheet date		**-**	**-**	**-**	**510.17**
	Less: Unamortised upfront fees on borrowing		**17.74**	**7.51**	**20.19**	**7.66**
	Net Non- Current Borrowings		**1,456.68**	**438.57**	**848.81**	**659.34**
	CURRENT BORROWING					
6	**Secured**					
6.01	**Working Capital Demand Loan**					
i	**Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd)**					
	i Secured by first pari passu hypothecation of present and future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	(Sanctioned Amount ₹ 55)		15.00		55.00
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
6.02	**Cash Credit**					
i	**Axis Bank Ltd**					
	Secured by first pari passu hypothecation of present and future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	(Sanctioned Amount ₹ 70)		31.87		36.22
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
ii	**Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd)**					
	Secured by first pari passu hypothecation of present and future movable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	(Sanctioned Amount ₹ 20)		9.91		9.82
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					
6.03	**Overdraft**					
i	**ICICI Bank Ltd**					
	Secured by first pari passu charge on present and future movable and immovable Fixed Assets of the Company and of Hathway Digital Private Limited (HDPL), a 100% subsidiary of the Company	(Sanctioned Amount ₹ 20)		2.28		5.57
	Secured by first pari passu hypothecation of present and future Current Assets of the Company and of HDPL					

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FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2019		As at March 31, 2018	
			Non Current	Current	Non Current	Current
7	**Unsecured Loans**					
7.01	**IDFC Bank**					
	12 Equal Monthly installments starting from October 2017. Applicable rate of Interest is 9% p.a. monthly.			18.75		37.48
8	**Vehicle Loans from Banks**					
8.01	**Daimler Finanial Services (India) Pvt Ltd**					
	Principal repayable in 60 equal installments along with Interest. Applicable rate of interest is 10.71%. 1st Installment due from Jun'15.	Secured by Hypothecation of Vehicle			-	0.12
	Gross Current Borrowings			**77.81**		**144.21**
	Add: Loan fully repaid prior to the Balance sheet date					**14.73**
	Less: Unamortised upfront fees on borrowing			**0.00**		**0.20**
	Total Current Borrowings			**77.81**		**158.76**

(b) The carrying amount of assets pledged as security for borrowings are disclosed below :

Assets pledged as security:

Sr. No.	Particulars		As at March 31, 2019	As at March 31, 2018
1	**Current**			
	i	Inventories	14.97	17.66
	ii	Trade Receivables	166.68	404.73
	iii	Cash and Cash Equivalents	74.87	24.12
	iv	Bank balances other than Cash and cash equivalents	70.00	-
	v	Loans	121.82	109.87
	vi	Other financial assets	15.36	3.73
	vii	Non-current assets classified as held for sale	-	0.60
	viii	Other Current Assets	45.61	28.70
			509.31	**589.41**
2	**Non-current**			
	i	Property, Plant and Equipment	1,434.39	1,633.30
	ii	Capital Work In Progress	103.99	55.68
	iii	Goodwill	2.99	2.99
	iv	Other Intangible Assets	97.52	76.06
	v	Loans	37.92	41.46
	vi	Other financial assets	27.65	27.86
	vii	Other Non-Current Assets	21.73	24.83
			1,726.19	**1,862.18**
	Total assets pledged as security		**2,235.50**	**2,451.59**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

2.17 OTHER FINANCIAL LIABILITIES

	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Current maturities of long-term debt (Refer Note no. 2.16)	-	-	438.57	659.32
Interest accrued and not due	-	-	8.09	8.08
Security deposits	14.75	11.91	0.46	0.46
Employee benefits payable	-	-	6.28	5.88
Capital Creditors	-	-	156.38	142.07
Financial Guarantee Obligations	-	-	-	0.03
Liability for expenses	-	-	0.21	0.52
Proportionate share in Joint venture losses	-	-	7.90	13.87
Others	0.01	*	66.07	103.30
Total	**14.76**	**11.91**	**683.96**	**933.53**

* Amount less than ₹ 50,000

2.18 CURRENT TAX LIABILITIES (NET)

	As at March 31, 2019	As at March 31, 2018
Provisions for Taxation (net of advance tax)	-	0.06
Total	**-**	**0.06**

2.19 PROVISIONS

	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Employee benefits				
Provision for Bonus	-	-	0.05	0.05
Provision for Leave Encashment	3.57	0.37	0.52	5.49
Provision for Gratuity (non funded)	0.54	0.46	0.03	0.49
Others	-	-	-	0.37
(A)	4.11	0.83	0.60	6.40
Others				
Mark to market losses on currency swap	0.57	2.48	-	-
(B)	0.57	2.48	-	-
Total (A+B)	**4.68**	**3.31**	**0.60**	**6.40**

2.20 OTHER LIABILITIES

	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Income received in advance	-	-	87.77	104.21
Gratuity payables (Funded)	3.91	3.34	-	-
Statutory Payables	*	*	32.73	17.13
Employee Payables	-	-	1.53	0.85
Others	86.02	145.52	75.40	84.98
Total	**89.93**	**148.86**	**197.43**	**207.17**

* Amount less than ₹ 50,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

3.01 REVENUE FROM OPERATIONS

	Year ended March 31, 2019	Year ended March 31, 2018
Sale of Services	1,556.22	1,529.19
Sale of products	0.08	1.58
Other operating revenues	1.99	3.85
Total	**1,558.29**	**1,534.62**

3.02 OTHER INCOME

	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income earned on financial assets :		
On Financial Assets measured at Amortised Cost		
Bank Deposits	6.33	2.07
Interest on Loans	0.74	2.16
Unwinding Interest on financial assets	1.77	1.21
Other Non - Operating Income		
Interest on Income Tax Refund	0.55	0.33
Miscellaneous Income	1.07	0.89
Amount no longer payable written back	6.05	2.40
Other Gains and Losses		
Net gain on financial assets measured at fair value through profit or loss	44.40	0.68
Total	**60.91**	**9.74**

3.03 OTHER OPERATIONAL EXPENSES

	Year ended March 31, 2019	Year ended March 31, 2018
Commission	81.01	76.03
Bandwidth and Lease Line Cost	48.94	57.84
Other Sundry Operational Cost	16.63	16.99
Repairs and Maintenance (Plant & Equipment)	27.61	43.36
Rent	28.94	26.95
Consultancy & Technical Fees	25.99	15.44
Feed charges	13.19	18.14
Software and Programming Cost	7.72	6.41
Freight and Octroi Charges	0.82	0.92
Hire Charges	2.45	1.82
Total	**253.30**	**263.90**

3.04 EMPLOYEE BENEFIT EXPENSES

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and bonus	74.44	68.48
Contribution to provident and other funds	4.47	3.77
Staff welfare expenses	3.95	4.74
Total	**82.86**	**76.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

3.05 FINANCE COSTS

	Year ended March 31, 2019	Year ended March 31, 2018
Interest and Finance Charges on financial liabilities	195.69	127.09
Exchange differences regarded as an adjustment to borrowing cost	14.91	4.00
Other borrowing costs	10.20	21.67
Total	**220.80**	**152.76**

3.06 DEPRECIATION , AMORTISATION & IMPAIRMENT

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of Property, Plant and Equipment	271.53	287.42
Amortisation of intangible assets	29.77	33.52
Impairment of Goodwill	-	0.68
Impairment on Property, Plant and Equipment	50.67	12.20
Impairment on Other Intangible assets	0.44	0.88
Total	**352.41**	**334.70**

3.07 OTHER EXPENSES

	Year ended March 31, 2019	Year ended March 31, 2018
Service Charges	142.41	132.21
Bad Debts	5.36	7.50
Less: Transfer from Impairment of Trade Receivables (Expected Credit Loss)	(5.36)	(7.50)
	-	-
Electricity Expenses	28.74	27.88
Impairment of Trade Receivables	21.03	49.62
Advertisement & Promotion expenses	20.69	13.23
Rent - Offices	12.31	12.08
Loss on disposal / shortage of Property, Plant and Equipment	6.24	1.14
Loss on Foreign Exchange Fluctuation (Net)	22.57	0.44
Rates and taxes	3.17	3.50
Office Expenses	6.42	6.31
Legal and Professional Charges	8.98	9.23
Auditor Remuneration	0.77	0.64
Conveyance	5.93	6.92
Repairs and Maintenance (Others)	6.17	6.87
Communication Charges	3.05	4.13
Travelling	3.60	3.41
Printing and Stationery	1.61	1.37
Business Promotion Expenses	1.15	1.88
Insurance Charges	2.46	1.53
Interest on Taxes	3.84	0.48
Sitting Fees	0.38	0.29
Miscellaneous Expenses	1.98	5.55
Total	**303.50**	**288.75**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

3.08 EXCEPTIONAL ITEMS *

	Year ended March 31, 2019	Year ended March 31, 2018
Impairment of Trade Receivables, advances and exposure to certain entities including Joint ventures	333.92	10.07
Impact of Arbitration award	-	4.26
Expenses relating to increase in authorised share capital	-	3.23
(Gain) /loss on sale of shares Non Current Investments	-	(12.23)
Write down to Property Plant and Equipments	69.83	-
Expenses relating to equity infusion	25.87	-
Total	**429.62**	**5.34**

* Refer Note no 4.12

3.09 TAX EXPENSES

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Income tax expenses :		
Current tax		
In respect of the current Year	0.06	0.09
	0.06	**0.09**
Deferred tax		
In respect of the current Year	(438.95)	(0.53)
	(438.95)	**(0.53)**
Total Income Tax expense/(benefit) recognised in the current Year	**(438.89)**	**(0.44)**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :		
Loss Before tax	**626.56**	**108.30**
Enacted tax rate in India	34.94%	25.75%
Expected Income tax expenses / (benefit) at statutory tax rate	**218.92**	**27.89**
Entities with no tax	(221.15)	(37.88)
Share of net profit of Joint venture and Associate not taxable	2.30	10.08
Difference in tax rates of certain entities of the Group	(0.02)	-
Current tax (A)	**0.06**	**0.09**
Incremental Deferred tax asset on deductible taxable differences	(36.93)	(0.05)
Incremental Deferred tax asset on temporary differences of Tangible and Intangible Assets	(58.40)	0.49
Incremental Deferred tax asset on account of Unabsorbed Depreciation	(343.62)	(0.97)
Deferred tax (B)	**(438.95)**	**(0.53)**
Total (A+B)	**(438.89)**	**(0.44)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

4.01 EARNINGS/(LOSS) PER SHARE

	Year ended March 31, 2019	Year ended March 31, 2018
Basic earnings per share (Amount in ₹)		
Attributable to equity holders of the group	(1.90)	(1.30)
Diluted earnings per share (Amount in ₹)		
Attributable to equity holders of the group	(1.90)	(1.30)
Nominal value of Ordinary shares (Amount in ₹)	2.00	2.00
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Loss attributable to equity holders of the group used in calculating basic earnings per share *	(190.51)	(107.86)
Diluted earnings per share		
Loss attributable to equity holders of the group used in calculating diluted earnings per share *	(190.51)	(107.86)
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	1,00,05,20,281	83,04,94,500

* net of share issue expenses debited to securities premium.

4.02 LEASES

(a) **Operating Leases (As Lessee):**

The Group's significant leasing arrangements in terms of Ind AS 17 on lease 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	As at March 31, 2019	As at March 31, 2018
Payable in the next one year	0.47	4.18
Payable after next one year but before next five years	0.05	0.10
Payable after five years	-	-
Total	**0.52**	**4.28**

Rental Expenses debited to the Statement of Profit and Loss ₹ 0.51(March 31, 2018: ₹ 7.81)

Details of Cancellable Leases are as under:

Lease Expenses debited to the Statement of Profit and Loss ₹ 39.81 (March 31, 2018: ₹ 31.06)

Some of these lease agreements have price escalation clauses

(b) The right to use granted to subsidiaries/joint ventures/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.

4.03 EMPLOYEE BENEFITS

a) **Defined Benefit Plans:**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

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

Particulars		**Gratuity**	
		March 31, 2019	**March 31, 2018**
1	**Expense recognized in the consolidated Statement of Profit and Loss**		
	Current Service Cost	1.02	1.00
	Net Interest	0.27	0.35
	Past Service Cost	-	0.26
	Expense recognized in the consolidated Statement of Profit and loss	**1.29**	**1.61**
2	**Other Comprehensive Income (OCI)**		
	Measurement of net defined benefit liability		
	Actuarial (gains)/ losses arising from changes in demographic assumptions	(0.03)	-
	Actuarial (gains)/ losses arising from changes in financial assumption	(0.14)	(2.89)
	Actuarial (gains)/ losses arising from experience adjustments	0.21	0.20
	Return on plan asset excluding net interest	0.01	0.12
	Total Actuarial (Gain)/Loss recognised in OCI	**0.05**	**(2.57)**
3	**Change in benefit obligations:**		
	Projected benefit obligations at beginning of the year	6.71	8.81
	Current Service Cost	1.02	1.00
	Interest Cost	0.46	0.63
	Past Service Cost	-	0.26
	Benefits Paid	(0.40)	(1.31)
	Actuarial (Gain) / Loss		
	Actuarial (gains)/ losses arising from changes in demographic assumptions	(0.03)	-
	Actuarial (gains)/ losses arising from changes in financial assumption	(0.14)	(2.89)
	Actuarial (gains)/ losses arising from experience adjustments	0.21	0.21
	Projected benefit obligations at end of the year	**7.83**	**6.71**
4	**Fair Value of Plan Assets**		
	Opening Fair Value of Plan Asset	2.89	3.79
	Return on Plan Assets excl. interest income	(0.01)	(0.12)
	Interest Income	0.18	0.28
	Contributions by Employer	0.68	0.25
	Benefits Paid	(0.40)	(1.31)
	Fair Value of Plan Assets at end of the year	**3.34**	**2.89**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

	Particulars	Gratuity	
		March 31, 2019	March 31, 2018
5	**Net Liability**		
	Projected benefit obligations at end of the year	7.83	6.71
	Fair Value of Plan Asset at the end of the year	3.34	2.89
	Net Liability	**4.49**	**3.82**
6	**The net liability disclosed above relates to funded and unfunded plans are as follows**		
	Projected benefit obligations at end of the year	7.26	3.80
	Fair Value of Plan Asset at the end of the year	3.34	0.94
	Deficit of funded plan	**3.92**	**2.86**
	Unfunded Plan	**0.57**	**0.96**
	Deficit of gratuity plan	**4.49**	**3.82**
7	**Sensitivity Analysis**		
	Present value of benefit obligation at the end of the year on		
	0.50 % to 1.00 % increase in discount rate	7.54	6.45
	0.50 % to 1.00 % decrease in discount rate	8.14	7.00
	0.50 % to 1.00 % increase in rate of salary rate	8.12	6.98
	0.50 % to 1.00 % decrease in rate of salary rate	7.56	6.46
	1.00 % increase in attrition rate	7.30	6.27
	1.00% point decrease in attrition rate	7.22	6.19
	10% increase in mortality rate	7.26	6.23
	10% decrease in mortality rate	7.26	6.23
8	**Principal assumptions used for the purpose of actuarial valuation**		
	Mortality	IALM (2012-2014) Ult	IALM (2006-08) Ult
	Interest /discount rate	7.30%	7.60%
	Rate of increase in compensation	5% - 10%	5% - 10%
	Expected average remaining service	6.03-12.18	6.71-12.46
	Employee Attrition Rate (Past service(PS))	21-30 years - 5% - 21.70% 31-40 years - 5% - 16.90% 41-50 years - 3% - 10% 51-59 years - 0% - 11.11%	21-30 years - 5%-10% 31-40 years - 5%-8% 41-57 years - 2%-9%
9	**Investment Details**		
	Insurer managed funds (LIC of India and Exide Life Insurance Company Limited)	100.00%	100.00%

Above data pertains to Hathway Cable and Datacom Limited (Holding Company), Hathway Digital Pvt. Ltd. (f.k.a Hathway Datacom Central Pvt Ltd) (Wholly-owned subsidiary), Hathway Kokan Crystal Cable Network Pvt. Ltd (Subsidiary) and Hathway Bhawani Cabletel and Datacom Limited (Subsidiary) only. In the opinion of the management no material liabilities would arise on account of other subsidiaries.

(b) Defined Contribution Plans:

The total expenses recognised in the statement of Profit and Loss is ₹ 3.39 (March 31, 2018 : ₹ 3.36) represents contribution payable to these plans by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

4.04 CONTINGENT LIABILITIES

a) Few Broadcasters and the Company have made claims and counter claims against each other relating to pay channel cost. Claims of such broadcasters, not acknowledged as liabilities, aggregate to ₹ 0.93 (March 31, 2018 : ₹ 0.93) to the extent ascertained and not settled, are disclosed under contingent liabilities as Claims against the Company not acknowledged as debts.

b) In the state of Telangana, VAT authorities have considered Set top boxes deployed as sale and raised demand of ₹ 18.05 (March 31, 2018 : ₹ 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.

c) The minority shareholders of the erstwhile joint venture company, Hathway Rajesh Multichannel Pvt. Ltd., filed an arbitration petition against the Company before the High Court, Bombay, which was referred to a sole arbitrator in August 2016. The minority shareholders, in their statement of claim have sought, amongst other reliefs, payment of ₹ 54.98 (March 31, 2018: ₹ 54.98) under various heads. The Company has refuted the claims and has made counter claim of ₹ 91.17 (March 31, 2018: ₹ 91.17) towards inter-alia outstanding content cost, loans, payments and damages/ compensation for the loss of financial and management credibility, goodwill etc. The matter is currently pending.

d) Entertainment Tax Officer, Pune has raised demand for Entertainment Tax on secondary points up to October, 2014 amounting to ₹ 4.57 (March 31, 2018: ₹ 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.

e) 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 (March 31, 2018 : ₹ 10.28). The honorable High Court has admitted the writ petition and has granted an order of stay over recovery of taxes.

f) The Company has challenged levy of license fees for pure Internet services before Telecom Disputes Settlement & Appellate Tribunal (TDSAT). On merit of the case, in the year 2015, TDSAT has granted stay till disposal of petition. No demand has been received by the Company till date. The Company is contingently liable to the extent of ₹ 155.73 (March 31, 2018: ₹ 114.58). The Company has paid an amount of ₹ 5.36 (March 31, 2018: ₹ 5.36) under protest.

g) The Commercial Tax Department, Indore has raised a demand on an ex-parte assessment to pay entertainment tax amounting to ₹ 3.23 for the period ended February 27, 2012 and penalty thereon for ₹ 6.47, aggregating to ₹ 9.70. The Honorable Supreme Court has granted stay on the demand. However, the Company has deposited the entire tax of ₹ 3.23 and 25% of the penalty amounting to ₹ 1.62 and ₹ 4.85 by way of bank guarantee given based on the interim order of the High Court of Madhya Pradesh. Additionally, the Company has also deposited an amount of ₹ 1.00 as per the direction of the Supreme Court, while granting the stay.Out of the total amount deposited ₹ 5.85, the company has expensed out ₹ 1.73.

h) The Commercial Tax Department, Jaipur has raised a demand of ₹ 29.68 for Entertainment Tax upto March 2011. Special Leave petition has been filed before the Honorable Supreme Court challenging the order dated May 08, 2015 passed by Honorable High Court of Rajasthan, Jaipur Bench, against which Interim stay has been granted to the Company with a direction to deposit an amount of ₹ 2.00.

i) **Income Tax Matters**

Particulars	March 31, 2019	March 31, 2018
Income Tax matter under appeal	0.44	0.97
(Of the above an amounts of ₹0.21 (March 31, 2018: ₹0.08) has already been deposited with Income Tax Department)		

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(₹ in Crores unless otherwise stated)

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

Matters with	March 31, 2019	March 31, 2018
Operators and Others	6.57	7.79
Entertainment Tax Department in the city of Thane, Aurangabad, Agra, Ghaziabad, Hyderabad, Gwalior and Delhi	10.38	7.66
Other Statutory Departments	1.08	0.05
VAT department in the State of Maharashtra, Madhya Pradesh, Telangana and Karnataka	11.09	9.35
Service Tax department	5.54	4.40
Total	**34.66**	**29.25**

k) **Note on pending litigations**

The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

l) **Foreseeable losses**

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

4.05 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) aggregate to ₹ 131.83 (March 31, 2018: ₹ 63.44)

As a part of business strategy, the Group has expanded its area of operations in various parts of the country by entering into arrangements with local partners. Such operations are in the form of joint ventures (subsequently, some of such entities are converted into wholly owned subsidiaries). Since operations of such entities are significantly dependent on the Group's policies, the Group is committed to provide the required support towards the operations of such entities including financial support that may be required to meet commitments / obligations of such entities.

4.06 FINANCIAL CORPORATE GUARANTEE

The Company has given Corporate Guarantees of ₹ 39.69 (March 31, 2018 : ₹ 28.44) to Banks towards various credit facilities extended by such banks to the Joint ventures.

The Company has given Letter of Comfort of ₹ 58.07 (March 31, 2018: ₹ 70.59) to Banks towards various credit facilities extended by them to related parties.

4.07 CAPITAL MANAGEMENT

The Group's objective while managing capital is to maintain stable capital structure to support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital that would enable to maximise the return to stakeholders.

The Group's capital requirement is mainly to fund its business expansion and repayment of borrowings. As stated in note no 2.14(f), during the year, the Group has raised funds by issue of equity capital. Other than this funding, the principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The management intends to use fresh funding by way of equity capital for business expansion and to continue to have bank borrowings.

The Group has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or material default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

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The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt (total borrowings net of cash and cash equivalents and bank balances other than cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet, including non-controlling interest).

	As at March 31, 2019	As at March 31, 2018
Net Debt	1,820.06	1,635.30
Total Equity	3,638.67	788.51
Net Debt to Equity Ratio	**0.50**	**2.07**

4.08 FINANCIAL INSTRUMENTS

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

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

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

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivables, security deposits given, loans given to related parties, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets, security deposits taken, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.

b) The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

c) The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

d) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Categories of financial instruments

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

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

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost				
Non- current investments	0.16	0.16	0.16	0.16
Trade receivables	120.77	120.77	390.44	390.44
Loans and Advances	42.18	42.18	54.19	54.19
Cash and Bank balances	180.54	180.54	59.74	59.74
Other financial assets	12.51	12.51	4.39	4.39
Total (A)	**356.16**	**356.16**	**508.92**	**508.92**

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(₹ in Crores unless otherwise stated)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying values	Fair value	Carrying values	Fair value
Measured at fair value through profit/loss				
Investment in mutual fund	2,995.66	2,995.66	-	-
Total (B)	**2,995.66**	**2,995.66**	**-**	**-**
Measured at fair value through other comprehensive income				
Investment in equity shares of other companies	3.08	3.08	2.01	2.01
Total (C)	**3.08**	**3.08**	**2.01**	**2.01**
Total Financial assets (A+B+C)	**3,354.90**	**3,354.90**	**510.93**	**510.93**
Financial liabilities				
Measured at amortised cost				
Borrowings #	1,973.06	1,973.06	1,666.90	1,666.90
Trade payables	259.32	259.32	162.04	162.04
Other financial liabilities	260.15	260.15	282.38	282.38
Total (A)	**2,492.53**	**2,492.53**	**2,111.32**	**2,111.32**
Measured at fair value through profit or loss				
Derivative Instruments	0.57	0.57	6.21	6.21
Total (B)	**0.57**	**0.57**	**6.21**	**6.21**
Total Financial liabilities (A+B)	**2,493.10**	**2,493.10**	**2,117.53**	**2,117.53**

includes current maturities of long term debts

(iii) Level wise disclosure of financial instruments

Particulars	As at March 31, 2019	As at March 31, 2018	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies	3.08	2.01	3	Price earning ratio method
Investment in mutual funds	2,995.66	-	1	Closing Net Asset Value of Mutual funds
Foreign currency forward contracts - Liability	-	3.73	2	Quotes from banks or dealers
Currency Swap contracts - Liability	0.57	2.48	2	Quotes from banks

4.09 FINANCIAL RISK MANAGEMENT

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

The business activities of the group expose it to financial risks namely Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the group, it uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency swap contracts, call options are entered to hedge certain foreign currency risk exposures and follows policies set up by a Treasury department under policies approved by the Board of Directors.

1 Credit Risk :

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

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(₹ in Crores unless otherwise stated)

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

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

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

The group follows a simplified approach (i.e based on lifetime ECL) for recognition of impairment loss allowance on trade receivables and unbilled revenue. For the purpose of measuring the lifetime ECL allowance for trade receivables and unbilled revenue, the group uses a provision matrix which comprise a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. In addition, in case there are events or changes in circumstances indicating individual or class of trade receivables is required to be reviewed on qualitative aspects, necessary provisions are made.

Reconciliation of changes in the loss allowances measured using life time expected credit loss model-Trade Receivables

Particulars	Amount
As at 01-04-2017	**125.01**
Provided during the year	49.62
Amounts written off	(7.50)
Provision reversed	-
As at 31-03-2018	**167.13**
Provided during the year	286.39
Amounts written off	(5.36)
Provision reversed	-
As at 31-03-2019	**448.16**

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

2 Liquidity Risk

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

Maturities of financial liabilities

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

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(₹ in Crores unless otherwise stated)

As on March 31, 2019	Less Than 1 Year	1 to 5 year	Total
Non-Derivatives			
Trade payables	259.32	-	259.32
Borrowings*	523.89	1,474.43	1998.32
Other financial liabilities	245.38	14.76	260.15
Total	**1028.60**	**1489.19**	**2517.79**
Derivatives (net settled)			
Currency Swap Contract	0.57	-	0.57
Total	**0.57**	**-**	**0.57**

* Include ₹ 25.27 as Prepaid Finance Charges.

As on March 31, 2018	Less Than 1 Year	1 to 5 year	Total
Non-Derivatives			
Trade payables	162.01	0.03	162.04
Borrowings*	825.95	869.00	1694.95
Other financial liabilities	270.54	11.91	282.45
Total	**1258.50**	**880.94**	**2139.44**
Derivatives (net settled)			
Foreign exchange forwards	3.73	-	3.73
Currency Swap Contract	2.48	-	2.48
Total	**6.21**	**-**	**6.21**

* Include ₹ 28.05 as Prepaid Finance Charges.

The group from time to time in its usual course of business has issued financial guarantees to certain Joint Ventures and Associate. Accordingly, Group has issued corporate guarantee for debt of ₹ 39.69 as on March 31, 2019 (March 31, 2018: ₹ 28.44). The outflow in respect of these guarantees will arise only upon default of the such joint ventures and associate. An amount of ₹ 28.75 (March 2018 : ₹ 8.75) is due for repayment within 1 year and ₹ 10.94 (March 2018 : ₹ 19.69) is due for repayment within 1 - 5 years from the reporting date.

Financing arrangements

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

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

3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The group is exposed in the ordinary course of business to following risks: (a) Foreign Exchange Risk, (b) Interest Rate Risk and (c) Price Risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(₹ in Crores unless otherwise stated)

a) **Market Risk – Foreign Exchange**

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

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

The group does not enter into or trade financial instruments, including derivatives for speculative purpose.

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

Foreign Currency Exposure

	As at March 31, 2019	As at March 31, 2018
	USD	USD
Assets		
Trade receivables	-	-
Loans and other receivables	-	-
Liabilities		
Borrowings	-	471.59
Trade payables	121.18	105.77
Derivative Instruments		
Forward contracts for loan	-	3.73
Currency Swap	93.64	41.00

Unhedged Foreign Currency Exposure :

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Secured Loans				
USD	-	-	6.19	403.65
Derivatives Liabilities - Currency Swap				
USD	1.35	93.64	0.63	41.00
Accounts Payables				
USD	1.75	121.18	1.62	105.77
Other Firm Commitments				
USD	1.86	128.62	0.67	43.68
Accounts Receivables				
USD	-	-	-	-

The Company has booked INR USD Cross Currency Swap Contracts of USD 3.34 (March 31, 2018:USD 3.50) against the underlying INR borrowing of ₹ 214.78 (March 31, 2018 : ₹ 215.71). The outstanding at the year end for the same is INR ₹ 92.50 (March 31,2018: ₹ 38.57) and currency swap contract amount is USD 1.35 (March 31,2018: USD 0.63). The actual interest earned on notional INR deposit, interest paid on notional USD borrowing, exchange fluctuation on payment/ settlement of principal amount and marked to market loss on USD exposure aggregating net gain /(loss) of ₹ 0.21(March 31, 2018 : ₹ 3.39) are included under finance cost in note number 3.05 in Notes to the financial statements.

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FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Foreign currency sensitivity

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

Particulars	Impact on loss before tax: Increase / (Decrease)			
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	1% increase	1% increase	1% increase	1 % decrease
USD	2.15	5.50	(2.15)	(5.50)

Particulars	Impact on other components of equity: Increase / (Decrease)			
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	1% increase	1% increase	1% increase	1 % decrease
USD	(2.15)	(5.50)	2.15	5.50

b) **Market Risk – Interest Rate**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group is exposed to interest rate risk because the group has borrowed funds substantially at floating interest rates. The interest rate risk is managed by the group by the use of interest rate swap and by monitoring monthly cash flow which is reviewed by management to prevent loss of interest.

The exposure of the group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2019	March 31, 2018
Variable rate borrowings*	1,737.64	1,504.35
Fixed rate borrowings*	260.69	192.94
Currency Swap (Notional Principal Amount)	92.50	38.57

* Include ₹ 25.27 (March 31, 2018: ₹ 28.05) as Prepaid Finance Charges.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of borrowing outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel.

Particulars	Impact on loss : Increase / (Decrease)		Impact on equity : Increase / (Decrease)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest rates - increase by 100 basis points *	17.38	13.19	(17.38)	(13.19)
Interest rates - decrease by 100 basis points *	(17.38)	(13.19)	17.38	13.19

* assuming all other variables as constant

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings and the interest swaps. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the group's borrowings in INR, USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

c) **Market Risk – Price risk**

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At March 31 2019, the investments in mutual funds is

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FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

₹ 2,995.66 (March 31, 2018 : Nil). These are exposed to price risk. In order to minimise price risk arising from investments in mutual funds, the Company predominately invests in those mutual funds which have higher exposure to high quality debt instruments with adequate liquidity and no demonstrated track record of price volatility

Price risk sensitivity:

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

Particulars	Impact on loss : Increase / (Decrease)		Impact on equity : Increase / (Decrease)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Price - increase by 0.10%*	(3.00)	-	3.00	-
Price - decrease by 0.10% *	3.00	-	(3.00)	-

* assuming all other variables as constant

4.10 RELATED PARTY DISCLOSURES

A) Name of Related Parties and Related Party Relationships:

i) The group is controlled by the following entities:

Entities exercising control	Reliance Industries Limited (w.e.f. January 30, 2019)
	Reliance Industrial Investments and Holdings Limited (w.e.f. January 30, 2019)* (Protector of Digital Media Distributrion Trust)
	Digital Media Distribution Trust (w.e.f. January 30, 2019)
	Jio Content Distribution Holdings Private Limited (w.e.f. January 30, 2019)$
	Jio Internet Distribution Holdings Private Limited (w.e.f. January 30, 2019)$
	Jio Cable and Broadband Holdings Private Limited (w.e.f. January 30, 2019)$

ii) Other Related Parties

1 Fellow Subsidiaries	Reliance Corporate IT Park Limited ^
	Reliance Jio Infocomm Limited ^
	Reliance Retail Finance Limited ^
	TV18 Broadcast Limited ^
	IndiaCast Media Distribution Private Limted ^
2 Joint Ventures	Hathway Digital Saharanpur Cable & Datacom Private Limited
	GTPL Hathway Limited (f.k.a.GTPL Hathway Private Limited) (till June 30, 2017)
	Hathway Sai Star Cable & Datacom Private Limited
	Hathway MCN Private Limited
	Hathway Channel 5 Cable and Datacom Private Limited
	Net 9 Online Hathway Pvt Ltd
	Hathway Cable MCN Nanded Private Limited
	Hathway Latur MCN Cable & Datacom Private Limited
	Hathway Palampur Cable Network Private Limited
	Hathway ICE Television Private Limited
	Hathway Sonali Om Crystal Cable Private Limited
	Hathway Dattatray Cable Network Private Limited
	Hathway Prime Cable & Datacom Private Limited

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FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

		Hathway SS Cable & Datacom - LLP
3	Joint Ventures of Fellow Subsidiaries	Reliance-Vision Express Private Limited
		Ryohin-Keikaku Reliance India Private Limited
4	Joint Ventures of Subsidiaries	Hathway CCN Multinet Private Limited
		Hathway CCN Entertainment (India) Private Limited
		Hathway CBN Multinet Private Limited
		Hathway Bhaskar CCN Multi Entertainment Private Limited
		Hathway Bhawani NDS Network Private Limited
5	Associate of Fellow Subsidiaries	Eenadu Television Private Limited
		Shop CJ Network Private Limited
		TV 18 Home Shopping Network Limited
6	Associate Companies	Pan Cable Services Private Limited
		Hathway VCN Cablenet Private Limited
		GTPL Hathway Limited (f.k.a.GTPL Hathway Private Limited) (w.e.f. July 01, 2017)
7	Trusts - Post Employment Benefit Trust	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme
		Hathway Digital Private Limited Employees Group Gratuity Trust
8	Key Management Personnel	**Executive Directors :-**
		Mr. Rajan Gupta - Managing Director
		Non Executive Directors :-
		Independent Director
		Mr. Sridhar Gorthi
		Mr. Sasha Gulu Mirchandani
		Mr. Devendra Shrotri
		Ms. Ameeta A Parpia
		Non Independent Directors
		Mr. Rajan R. Raheja (upto January 30, 2019)
		Mr. Viren R Raheja
		Mr. Akshay R Raheja
		Ms. Geeta Fulwadaya (w.e.f. January 30, 2019)
		Mr. Anuj Jain (w.e.f. March 29, 2019)
		Mr. Saurabh Sancheti (w.e.f. March 29, 2019)
		Mr. Vinayak P Aggarwal (upto January 30, 2019)

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

$ Controlled by Digital Media Distribution Trust of which Reliance Content Distribution Limited - Wholly owned Subsidiary of Reliance Industries Limited , is the sole beneficiary.

^ Subsidiaries of Reliance Industries Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

B) Related Party Transaction:

Compensation to Key Management Personnel

Particulars	March 31, 2019	March 31, 2018
(a) Short term employee benefits *	2.96	2.40
(b) Post employment benefits	0.08	0.07
(c) Other long term benefits	-	-
Total Compensation	**3.04**	**2.47**

* Short term employee benefits include sitting fees paid to directors

Note : As the employment benefits such as Gratuity and Leave encashment are provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Management Personnel is not ascertainable and therefore not included above.

Nature of Transactions	Name of the Party	Relationship	F.Y. 2018-19	F.Y. 2017-18
INCOME				
Subscription Income	Hathway MCN Private Limited	Joint venture	12.69	13.06
	Hathway Sai Star Cable And Datacom Private Limited	Joint venture	4.24	7.44
	Hathway Dattatray Cable Network Private Limited	Joint venture	3.81	6.32
	Net 9 Online Hathway Private Limited	Joint Venture	0.47	0.56
	Hathway Cable MCN Nanded Private Limited	Joint Venture	2.73	4.76
	Hathway Latur MCN Cable & Datacom Private Limited	Joint venture	2.21	3.95
	Others	Joint Ventures of Subsidiaries	2.00	7.61
	Others	Associate of Fellow Subsidiary	0.64	-
	Others	Fellow Subsidiaries	5.00	-
	Others	Joint Venture of Fellow Subsidiary	0.00	-
Service Charges	GTPL Hathway Limited	Associate	-	0.09
	Hathway Cable MCN Nanded Private Limited	Joint Venture	0.20	-
Consultancy Income	Hathway Latur MCN Cable & Datacom Private Limited	Joint venture	0.36	-
	Hathway Cable MCN Nanded Private Limited	Joint venture	0.35	-
	Hathway MCN Private Limited	Joint venture	1.02	0.15
	Net 9 Online Hathway Private Limited	Joint venture	0.63	0.60
Interest on Loans	Hathway Sai Star Cable & Datacom Private Limited	Joint venture	0.17	0.17
	Others	Joint ventures	0.01	0.25

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(₹ in Crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	F.Y. 2018-19	F.Y. 2017-18
Activation Income	Hathway MCN Private Limited	Joint venture	0.01	0.25
	Hathway Latur MCN Cable & Datacom Private Limited	Joint venture	0.08	-
	Hathway Bhawani NDS Network Private Limited	Joint Venture of Subsidiary	0.04	-
	Others	Joint ventures	-	0.02
Sales of Access Devices / Parts and Accessories	Hathway CCN Multinet Private Limited	Joint Venture of Subsidiary	0.43	3.10
	Hathway CCN Entertainment (India) Private Limited	Joint Venture of Subsidiary	0.60	0.70
	Hathway CBN Multinet Private Limited	Joint Venture of Subsidiary	1.24	-
Dividend Income	GTPL Hathway Limited	Associate	4.20	4.20
EXPENSES				
Feed charges	Hathway MCN Private Limited	Joint venture	7.77	8.67
	Hathway CCN Entertainment (India) Private Limited	Joint Venture of Subsidiary	1.18	-
	Others	Joint ventures	1.28	2.13
	Others	Joint Ventures of Subsidiaries	1.29	2.46
Rent Offices	Mr. Akshay R Raheja	Key Management Personnel	2.12	2.09
	Mr. Viren R Raheja	Key Management Personnel	2.12	2.09
	Hathway Sai Star Cable And Datacom Private Limited	Joint venture	0.06	0.13
Pay Channel Cost	TV18 Broadcast Limited	Fellow Subsidiary	11.32	-
	Eenadu Television Private Limited	Associate of Fellow Subsidiary	0.25	-
Reversal of impairment in value of Investments	Hathway Bhawani NDS Network PrivateLimited	Joint Venture of Subsidiary	-	0.15
Bad Debts written off	Hathway Sai Star Cable & Datacom Private Limited	Joint venture	-	2.00
	Hathway Dattatray Cable Network Private Limited	Joint venture	2.00	2.00
Contribution to Gratuity Fund	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme	Trust	0.46	0.20
	Hathway Digital Private Limited Employees Group Gratuity Trust	Trust	0.21	0.06
Exceptional Item	Hathway Dattatray Cable Network Private Limited	Joint Venture	8.52	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	14.05	-

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(₹ in Crores unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	F.Y. 2018-19	F.Y. 2017-18
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	5.79	-
	GTPL Hathway Limited	Associate	2.50	-
	Others	Joint Ventures	0.50	-
	Others	Joint Ventures of Subsidiaries	7.34	1.33
Change in Assets/ Liabilities during the year				
Impairment in value of Investments made during the year	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	4.09	-
	Hathway Bhaskar CCN Multi Entertainment (India) Private Limited	Joint Venture of Subsidiary	2.58	-
Allowance for bad and doubtful loans made during the year	Hathway Bhaskar CCN Multi Entertainment Private Limited	Joint Venture of Subsidiary	0.30	1.33
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	7.68	-
	GTPL Hathway Limited	Associate	2.50	-
	Others	Joint Ventures of Subsidiaries	0.35	-
Allowance for bad and doubtful debts made during the year	Hathway CCN Multinet Private Limited	Joint Venture of Subsidiary	3.00	-
	Hathway Dattatray Cable Network Private Limited	Joint Venture	8.38	-
	Others	Joint Ventures	1.46	-
	Others	Joint Ventures	2.27	-
Net Advances / Trade Receivables / Trade Payables made during the year	Hathway Dattatray Cable Network Private Limited	Joint Venture	6.91	-
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	-	0.10
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	2.11
	Others	Joint Ventures	0.40	0.02
	Others	Joint Ventures of Subsidiaries	1.30	0.20
	Others	Associate of Fellow Subsidiary	1.67	-
	Others	Joint Venture of Fellow Subsidiary	0.01	-

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Nature of Transactions	Name of the Party	Relationship	F.Y. 2018-19	F.Y. 2017-18
Net Advances / Trade Receivables / Trade Payables Recovered / Paid during the year	GTPL Hathway Limited	Associate	-	1.12
	Hathway SS Cable & Datacom LLP	Joint Venture	0.20	1.86
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	0.27	0.05
	Hathway CCN Multinet Private Limited	Joint Venture of Subsidiary	-	4.80
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	15.32	-
	Others	Joint Ventures	0.60	10.16
	Others	Joint Venture of Subsidiaries	0.58	2.72
	Others	Fellow Subsidiary	7.68	-
Investment made during the year	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	0.02
Equity shares issued during the year	Jio Content Distribution Holdings Private Limited	Entity exercising control	1,729.75	-
	Jio Internet Distribution Holdings Private Limited	Entity exercising control	693.25	-
	Jio Cable and Broadband Holdings Private Limited	Entity exercising control	517.00	-

Nature	Name of the Party	Relationship	As at March 31, 2019	As at March 31, 2018
CLOSING BALANCES				
Equity Share Capital (incl. Securities Premium)	Jio Content Distribution Holdings Private Limited	Entity exercising control	1,729.75	-
	Jio Internet Distribution Holdings Private Limited	Entity exercising control	693.25	-
	Jio Cable and Broadband Holdings Private Limited	Entity exercising control	517.00	-
Investments	GTPL Hathway Limited	Associate	168.75	168.75
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	27.09	27.09
	Others	Joint Ventures of Subsidiaries	11.45	11.45
	Others	Associate	0.10	0.10
	Others	Joint Ventures	42.65	42.68
Loans & advances	GTPL Hathway Limited	Associate	9.40	10.32
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	15.48	15.48

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Nature	Name of the Party	Relationship	As at March 31, 2019	As at March 31, 2018
	Hathway CCN Multinet Private Limited	Joint venture of Subsidiary	1.63	1.63
	Hathway VCN Cablenet Private Limited	Associate	5.50	5.50
	Pan Cable Services Private Limited	Associate	0.59	0.59
	Others	Joint Ventures	3.70	4.15
Post Employment benefit plan-Advance	Hathway Cable and Datacom Limited Employees Group Gratuity Assurance Scheme	Trust	0.01	0.01
Allowance for bad and doubtful debts	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture	3.81	3.81
	Hathway Dattatray Cable Network Private Limited	Joint Venture	8.38	-
	Hathway CCN Multinet Private Limited	Joint venture of Subsidiary	3.00	-
	Others	Joint Ventures	3.08	0.80
	Others	Joint Ventures of Subsidiaries	1.46	-
Impairment in Value of Investments	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture	6.28	6.28
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	16.68	16.68
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	15.17	11.07
	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	Joint venture of Subsidiary	2.58	-
	Hathway VCN Cablenet Private Limited	Associate	0.10	0.10
	Others	Joint Venture	3.61	3.61
Allowance for bad and doubtful loans	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	15.45	7.77
	Hathway VCN Cablenet Private Limited	Associate	5.50	5.50
	Hathway CCN Multinet Private Limited	Joint venture of Subsidiary	1.63	1.33
	GTPL Hathway Limited	Associate	2.50	-
	Others	Associate	0.59	0.59
	Others	Joint Ventures	1.42	1.06
Trade Payables	TV18 Broadcast Limited	Fellow Subsidiary	17.42	-
	Eenadu Television Private Limited	Associate of fellow Subsidiary	0.32	-
	Others	Joint Ventures	1.23	1.23
	Others	Joint Ventures of Subsidiaries	0.17	0.74

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Nature	Name of the Party	Relationship	As at March 31, 2019	As at March 31, 2018
Trade Receivables	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	1.91	17.22
	Hathway VCN Cablenet Private Limited	Associate	-	0.32
	Hathway Dattatray Cable Network Private Limited	Joint Venture	9.93	3.02
	GTPL Hathway Limited	Associate	3.77	3.77
	IndiaCast Media Distribution Private Limited	Fellow Subsidiary	4.74	-
	Others	Joint Ventures	13.25	14.19
	Others	Joint Ventures of Subsidiaries	8.46	6.65
	Others	Associate of Fellow Subsidiary	1.83	-
	Others	Joint Venture of Fellow Subsidiary	0.01	-
Unbilled Revenue	TV18 Broadcast Limited	Fellow Subsidiary	2.12	-
	IndiaCast Media Distribution Private Limited	Fellow Subsidiary	2.88	-
	Eenadu Television Private Limited	Associate of Fellow Subsidiary	0.15	-
	Others	Joint Ventures	1.28	-
	Others	Joint Ventures of Subsidiaries	1.11	2.78
Other Current Liability	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	0.03
Other Financial Liability	Hathway SS Cable & Datacom - LLP	Joint Venture	2.80	2.60
Security Deposits (Received)	Hathway CBN Multinet Private Limited	Joint Venture of Subsidiary	0.51	0.51
	Hathway CCN Entertainment (India) Private Limited	Joint Venture of Subsidiary	1.21	1.21
	Hathway CCN Multinet Private Limited	Joint Venture of Subsidiary	2.00	2.00
	Others	Joint Venture	0.02	-
Security Deposits (Given)	Mr. Viren R Raheja	Key Management Personnel	1.84	1.84
	Mr. Akshay R Raheja	Key Management Personnel	1.84	1.84

The Company has extended aggregate loan of ₹ 47.41 to various joint ventures and associates, out of which ₹ 08.43 is interest free. The Company has given Corporate financial Guarantees of ₹ 39.69 (March 31, 2018 ₹ 28.44) on behalf of GTPL Hathway Limited. The Company has given Letter of Comfort of ₹ 58.07 (March 31, 2018: ₹ 70.59) to Banks towards various credit facilities extended by them to related parties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

4.11 INTEREST IN OTHER ENTITIES

a) Subsidiaries

The Group's subsidiaries at March 31, 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Subsidiary	Principal Activity	Place of Incorporation & Operation	Proportion of ownership interest and voting power held by them	
			March 31, 2019	March 31, 2018
Hathway New Concept Cable and Datacom Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway Software Developers Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway Bhawani Cabletel and Datacom Ltd	Cable Television network Services	India	51.60%	51.60%
Hathway Digital Private Limited	Cable Television network Services	India	100.00%	100.00%
Hathway Broadband Pvt Ltd	Internet Service Provider	India	100.00%	100.00%
Hathway Krishna Cable Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Bee Network and Communication Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway Nashik Cable Network Pvt Ltd	Cable Television network Services	India	90.06%	90.06%
Hathway Kokan Crystal Cable Network Pvt Ltd	Cable Television network Services	India	96.36%	96.36%
Hathway Cnet Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Channels India Network Pvt Ltd	Cable Television network Services	India	95.63%	95.63%
Hathway Enjoy Cable Network Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway JMD Farukhabad Cable Network Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Chennai Cable Vision Network Pvt Ltd	Cable Television network Services	India	75.99%	75.99%
Hathway Media Vision Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Elite Cable Network Pvt Ltd	Cable Television network Services	India	80.00%	80.00%
Hathway United Cables Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
UTN Cable Communication Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway Space Vision Cabletel Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway Gwalior Cable and Datacom Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Ideal Cables Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Binary Technology Transfers Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway Internet Satellite Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
ITV Interactive Media Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Liberty Media Vision Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Vision India Network Pvt Ltd	Cable Television network Services	India	100.00%	100.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Name of Subsidiary	Principal Activity	Place of Incorporation & Operation	Proportion of ownership interest and voting power held by them	
			March 31, 2019	March 31, 2018
Win Cable & Datacom Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway Mysore Cable Network Pvt Ltd	Cable Television network Services	India	100.00%	100.00%
Hathway Mantra Cable and Datacom Pvt Ltd	Cable Television network Services	India	100.00%	100.00%

b) **Non-controlling interests**

The Group doesn't have any material subsidiary warranting a disclosure in respect of individual subsidiaries.

c) **Interest in Joint Ventures and Associates**

Details of joint ventures

Name of Joint ventures	March 31, 2019		March 31, 2018	
	Proportion of ownership interest and voting power held by them	Amount	Proportion of ownership interest and voting power held by them	Amount
Hathway Cable MCN Nanded Pvt Ltd	45.05%	0.30	45.05%	0.31
Hathway ICE Television Pvt Ltd	51.00%	-	51.00%	-
Hathway Latur MCN Cable and Datacom Pvt Ltd	51.00%	-	51.00%	-
Hathway Sai Star Cable and Datacom Pvt Ltd	51.00%	10.12	51.00%	12.16
Hathway Sonali OM Crystal Cable Pvt Ltd	68.00%	-	68.00%	0.35
Net 9 Online Hathway Pvt Ltd	50.00%	3.05	50.00%	2.98
Hathway Palampur Cable Network Pvt Ltd	51.00%	0.19	51.00%	0.25
Hathway Prime Cable and Datacom Pvt Ltd	51.00%	-	51.00%	-
Hathway MCN Pvt Ltd	51.00%	4.41	51.00%	5.23
Hathway SS Cable & Datacom LLP	51.00%	-	51.00%	-
Hathway Digital Saharanpur Cable and Datacom Pvt Ltd	51.00%	-	51.00%	-
Hathway Channel 5 Cable and Datacom Pvt Ltd	51.00%	-	51.00%	-
Hathway Dattatray Cable Network Pvt Ltd	51.00%	-	51.00%	-
Hathway CBN Multinet Pvt Ltd (Joint venture of Subsidiary)	51.00%	0.72	51.00%	0.61
Hathway CCN Entertainment India Pvt Ltd (Joint venture of Subsidiary)	51.00%	4.00	51.00%	5.07
Hathway CCN Multinet Pvt Ltd (Joint venture of Subsidiary)	51.00%	6.39	51.00%	6.70
Hathway Bhaskar CCN Multi Entertainment Pvt Ltd (Joint venture of Subsidiary)	70.00%	-	70.00%	2.79
Hathway Bhawani NDS Pvt Ltd (Joint venture of Subsidiary)	51.00%	0.31	51.00%	0.49

Place of Incorporation & Operation of all the joint ventures is in India only

Except for Net 9 Online Hathway Pvt Ltd, the princpal activity of joint ventures is Cable Television network services

The princpal activity of Net 9 Online Hathway Pvt Ltd is Internet Service provider

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Details of Associates

Name of Associates	March 31, 2019		March 31, 2018	
	Proportion of ownership interest and voting power held by them	Carrying amount	Proportion of ownership interest and voting power held by them	Carrying amount
GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) *	37.32%	607.71	37.32%	604.80
Hathway VCN Cablenet Pvt. Ltd.	25.03%	-	25.03%	-
Pan Cable Services Pvt. Ltd.	33.33%	-	33.33%	-

Place of Incorporation and Operation of all the associates is in India only. The princpal activity of all the associates is Cable Television network services except for GTPL Hathway Limited, which is engaged in activities of Cable Television network and Internet services.

* Quoted fair value as on March 31, 2019: ₹ 287.93 (As on March 31, 2018: ₹ 583.42)

Information of associate that is material to the Group

GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) is the associate of the Group as at March 31, 2019 which, in the opinion of the directors, are material to the Group.

Share in Contingent liabilities of GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) :

1 GTPL Broadband Private Limited (GBPL), one of subsidiary Company of our associate GTPL Hathway Ltd, has been granted Unified License from Ministry of Communications & IT, under Government of India, under which GBPL is required to pay an annual license fee at the rate of 8% of the its adjusted gross revenue. The Company, GBPL, along with others has filed a petition (petition no. 655 of 2015) under sections 14 and 14A of the TRAI Act against the DoT before the Telecom Dispute Settlement Appellate Tribunal (TDSAT). It was averred that the unified ISP license policy arbitrarily distinguished between existing ISP licenses required to be renewed and existing ISP licenses not requiring renewal for the near future. Further, it was averred that the inclusion of revenue from ‘pure internet services’ in the adjusted gross revenue for the computation of license fees under DoT’s new unified ISP license policy was contrary to the order dated October 12, 2012 of the TDSAT (in petition No. 429 of 2012). TDSAT vide its order dated December10, 2015 (TDSAT Order) has granted stay with respect to the matter filed by the Company. Further, GBPLhas also filed petition with the TDSAT inclusion of revenue from ‘pure internet services’ in the adjusted gross revenue for the computation of license fees (petition no. 193 of 2018). TDSAT has under the said petition directed DoT to not to take any coercive action against GBPL subject to GBPL submitting an undertaking to TDSAT stating that it shall pay full amount of the license fees with interest if finally the matter is decided against GBPL. On the basis of the TDSAT Order, the license fee till March 31, 2019 works out to ₹31.12 (Group share= ₹.11.62) (8% of ₹ 389.03 adjusted gross revenue). while for the period March 31, 2018, ₹ 20.28 (Group share= ₹.7.57) (8% of ₹.253.45 adjusted gross revenue) has been considered to be contingent in nature.

2 A shareholder of GTPL Kolkata Cable & Broadband Pariseva Limited(GTPL KCBPL) one of the subsidary company of our associate GTPL Hathway Ltd offered to sale his 30,000 share to GTPL KCBPL (buy back), price offered by GTPL KCBPL was not accepted by him hence the matter was then referred to Company Law Board, whereby Board appointed valuer . Valuation finalized by Company Law Board was not accepted by GTPL KCBPL, hence, petition was filed with High Court against Board’s order. Value was finalized by valuer of High Court at ₹ 2.4 (₹ 800/- per share). Hence, petition was filed in Supreme Court against order passed by high court. Supreme Court agreed to hear petition on a condition that “GTPL KCBPL to deposit ₹ 2 in cash & ₹ 0.04 (Group share= ₹ 0.02) as bank guarantee with registrar of court”. Hence, company has paid ₹ 2.47 (Group share= ₹ 0.92) as guarantee with Registrar and petition is yet to be heard in Supreme Court.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

3 Claims against the Company not acknowledged as debt: (Group's Share)

Particulars	March 31, 2019	March 31, 2018
Income Tax Matters	3.67	2.32
Sales-Tax/VAT Matters	3.14	2.84
Entertainment Tax Matters	2.63	2.63
Custom Duty Matters	11.67	-
Services Tax Matters	7.24	7.24

Summarised financial information for Associate

The tables below provide summarised financial information for an Associate that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of such associate and not parent's share of those amounts.

Summarised balance sheet

Particulars	GTPL hathway Limited(f.k.a GTPL Hathway Limited)#	
	March 31, 2019	March 31, 2018
Current assets		
Cash and cash equivalents	123.50	85.73
Other assets	512.39	448.42
Total Current assets	**635.89**	**534.15**
Total Non current assets	**1,396.09**	**1,384.37**
Current liabilities		
Financial Liabilities	593.80	315.93
Other liabilities	430.74	602.92
Total current liabilities	**1,024.55**	**918.85**
Non current liabilities		
Financial Liabilities	152.64	110.37
Other liabilities	190.01	231.62
Total Non current liabilities	**342.65**	**341.99**
Net assets	**664.78**	**657.68**

Summarised statement of profit and loss

Particulars	GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd)#	
	March 31, 2019	March 31, 2018
Revenue	1,245.82	1,345.85
Interest Income	4.98	6.28
Depreciation & amortisation	201.92	209.12
Interest expense	51.36	52.85
Income Tax expense	18.45	46.64
Profit or (loss) for the year	**24.80**	**65.77**
Other Comprehensive income or (loss) for the year	**0.29**	**0.18**
Total Comprehensive Income or (loss) for the year	**25.08**	**65.95**
Dividend received	**4.20**	**4.20**

Refer note 4.12 (b) and 4.14

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

d) Individually immaterial Joint ventures and Associates

Commitments and Contingent liabilities in respect of immaterial Joint ventures and Associates

Particulars	March 31, 2019	March 31, 2018
Capital and Other commitments		
Share of capital commitment in Joint Venture	-	-
Bank Guarantees		
Share in Joint Venture	-	-
Contingent liabilities		
Share in Associates' contingent liabilities	-	-
Share in Joint Ventures' contingent liabilities in respect of VAT/CST, excise and service tax claims not acknowledged as debts	0.23	0.12

Particulars	March 31, 2019	March 31, 2018
Aggregate carrying amount of individually immaterial Joint ventures and Associates	29.49	36.93
Aggregate amounts of the group's share of:		
Profit/(loss) from continuing operations	(0.47)	5.09
Post-tax profit or loss from discontinued operations		
Other comprehensive income	0.01	*
Total comprehensive income	**(0.46)**	**5.09**

* Amount less than 50000

** Indicates disclosures that are not required

Particulars	March 31, 2019	March 31, 2018
Share of profits/ (losses) from Joint Venture	1.05	5.04
Share of profits /(losses) from Subsidiary's Joint Ventures	(1.51)	0.05
Share of profits/ (losses) from Associate	-	-
Total share of profits / (losses) from Joint Ventures and Associates	**(0.46)**	**5.09**

Unrecognised share of loss of associates

Particulars	March 31, 2019	March 31, 2018
Unrecognised share of loss for the year of associates	*	*
Cumulative unrecognised share of loss of associates	(2.33)	(2.33)

* Amount less than 50000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

e) **Summary of carrying amount of Group's interest in associates and joint ventures accounted using equity method**

Particulars	March 31, 2019	March 31, 2018
Carrying amount of material associate	607.71	604.80
Carrying amount of immaterial associates	-	-
Carrying amount of material joint ventures	-	-
Carrying amount of immaterial joint ventures	29.49	36.93
Total	**637.20**	**641.73**
Aggregate amount of impairment in carrying amount of investment	7.14	0.48

f) **Reconciliation of Net Assets considered for Consolidated financial statement to Group's share in Net Assets as per Associates' and Joint ventures' financial statements**

Particulars	March 31, 2019	March 31, 2018
Group's share in Net Assets of Associates' and Joint ventures as per Entity's Financials	256.43	256.29
Add/ (Less) : Consolidation adjustment		
(i) Goodwill on consolidation	100.62	100.62
(ii) Fair value of Investments	333.12	337.79
(iii) Change in stake	(52.97)	(52.97)
Net Asset as per Consolidated Financials	**637.20**	**641.73**

Change in Group's ownership interest in subsidiary

There is no change in group's ownership interest in subsidiaries during the financial year 2018-19 and financial year 2017-18

4.12 EXCEPTIONAL ITEMS

a) In view of the New Regulatory Framework for Broadcasting & Cable services sector notified by the Telecom Regulatory Authority of India (TRAI), which has come into effect during the quarter resulting into changes in pricing mechanism & arrangements amongst the Company, LCOs and Broadcasters as well as equity infusion; the Management, based on a review, has provided for (a) impairment of trade receivables, advances & exposure to certain entities including joint ventures; (b) write down to the recoverable value of certain assets; (c) expenses relating to equity infusion. These adjustments, having one-time, non-routine material impact on financial statements, hence been disclosed as "Exceptional Items" in Consolidated Financial Statements.

b) During the previous year, the Company has offloaded 72 lakhs shares of GTPL Hathway Limited under Offer to sale @ ₹ 170 per share. The holding of the Company in GTPL Hathway Limited has reduced from 50% to 37.32%.

c) Pursuant to the arbitration award dated April 19, 2018 in the matter of Venkat Sai Media Private Limited, the company, during the previous year, had written off related debtors of ₹ 4.26.

4.13 GOODWILL ON CONSOLIDATION COMPRISES OF:

Particulars	March 31, 2019	March 31, 2018
Goodwill on Consolidation	86.26	86.26
Less :Capital Reserve on Consolidation	(1.87)	(1.87)
Net Goodwill on Consolidation	84.39	84.39

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

4.14 During the financial year 2016-17, GTPL Hathway Limited (GTPL), a Joint Venture till June 30, 2017 and associate thereafter, having many step-down entities, it was not practicable for GTPL to draw up its consolidated financial statements up to March 31, 2017 within stipulated period in which the Company was required to publish its audited consolidated financial results. Accordingly, the management had considered audited consolidated financial statements of GTPL for nine month period ended December 31, 2016. During the previous financial year, the management had considered audited consolidated financial results of GTPL from April 1, 2017 to March 31, 2018 and audited figures for the quarter ending March 31, 2017.

4.15 REVENUE FROM CONTRACT WITH CUSTOMERS

Management conclude that disaggregation of revenue disclosed in Ind AS 108 meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

Contract Balances

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Trade receivable and unbilled revenues are presented net of impairment in the Consolidated Balance Sheet.

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

Particulars	March 31, 2019
Receivables, which are included in 'Trade and other receivables'	120.77
Contract assets	-
Contract liabilities (Unearned revenue)	87.77

The contract assets primarily relate to the Group’s rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.The contract liabilities primarily relate to the billing recognized in advance where performance obligations are yet to be satisfied.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows.

Particulars	As at March 31, 2019	
	Contract assets	Contract liabilities
Balance at the beginning of the year	**-**	**104.21**
Advance Income received from the customer during the year	-	87.77
Revenue recognized that is included in the contract assets balance at the beginning of the year	-	104.21
Balance at the end of the year	-	87.77

Performance Obligations And Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performances as the performance obligations relates to contracts that have an original expected duration of one year or less.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

Contract costs

The group incurred cost of ₹36.96 during the year as a result of obtaining customers. The group has therefore capitalised them as customer acquisition costs.

Customer acquisition costs are amortised over the period of five years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

4.16 RECENTS PRONOUNCEMENTS

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116 Leases which replaces the existing Ind AS 17 Leases. The new standard will come into force from April 1, 2019.

The core principle of the new standard lies in identifying whether the contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The new standard modifies the accounting of leases in the books of lessee. At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability, for all leases with a term of more than 12 months, unless the underlying asset is of a low value. The accounting for leases in the books of the lessor is substantially similar to the requirements of Ind AS 17.

The standard allows for two methods of transition: the full retrospective approach, requires entities to retrospectively apply the new standard to each prior reporting period presented and the entities need to adjust equity at the beginning of the earliest comparative period presented, or the modified retrospective approach, under which the date of initial application of the new leases standard, lessees recognize the cumulative effect of initial application as an adjustment to the opening balance of equity as of annual periods beginning on or after April 1, 2019.

The Company will adopt this standard using modified retrospective method effective April 1, 2019, and accordingly, the comparative for year ended March 31, 2019, will not be retrospectively adjusted.

The effect on adoption of Ind AS 116 is being ascertained.

4.17 SEGMENT INFORMATION

The Group reportable segments under Ind AS 108 are Broadband Business and Cable Television.

Segment Revenue and Results:

The following is an analysis of the Group's revenue and results from continuing operations by reportable segments.

Particulars		Segment Revenue As at March 31, 2019	Segment Results As at March 31, 2019	Segment Revenue As at March 31, 2018	Segment Results As at March 31, 2018
Broadband Business	(a)	527.63	42.01	544.54	130.25
Cable Television	(b)	1030.66	(457.46)	990.08	(129.33)
	(a)+(b)	1558.29	(415.45)	1534.62	0.92
Less: Inter Segment revenue		-	-	-	-
Total		**1,558.29**	**(415.45)**	**1,534.62**	**0.92**
Add: Other un-allocable income net of un-allocable expenditure			3.11		4.41
Add: Share of profit/ (loss) of associates and joint ventures			6.58		39.13
Less: Finance Costs			220.80		152.76
			(626.56)		**(108.30)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Segment Assets & Liabilities

Particulars		As at March 31, 2019	As at March 31, 2018
Segment Assets			
Broadband Business	(a)	1,044.84	932.71
Cable Television	(b)	1,080.75	1,472.19
Total Segment Assets	(a)+(b)	2,125.59	2,404.90
Unallocable		4,298.25	864.46
Consolidated Total Assets		**6,423.84**	**3,269.36**
Segment Liabilities			
Broadband Business	(a)	267.76	298.49
Cable Television	(b)	529.02	493.69
Total Segment Liabilities	(a)+(b)	796.78	792.18
Unallocable		1,988.39	1,688.66
Consolidated Total Liabilities		**2,785.17**	**2,480.84**

Other Segment Information	As at March 31, 2019			As at March 31, 2018		
	Broadband Business	Cable Television	Total	Broadband Business	Cable Television	Total
Capital Expenditure						
Additions to Property, Plant & Equipment	127.57	57.45	**185.02**	218.03	160.22	**378.25**
Additions to Intangible assets	42.63	8.59	**51.23**	8.68	10.01	**18.69**
Material Non Cash items:						
Depreciation	94.01	177.52	**271.53**	79.15	208.27	**287.42**
Amortisation	9.06	20.71	**29.77**	5.65	27.87	**33.52**
Impairment during the year of Property, Plant and Equipment / Intangibles	12.84	38.27	**51.11**	12.40	1.36	**13.75**
Write down to Property Plant and Equipments	8.93	60.91	**69.83**	-	-	**-**
Allowance for Doubtful Advances / impairment in value of Investments / Impairment of trade receivables from Entities Under/ Joint Control and other	49.74	284.18	**333.92**	8.74	1.33	**10.07**
Impairment on trade receivables during the year	2.40	18.63	**21.03**	12.00	37.62	**49.62**

Information about Products and Services

Revenue from external customers (Disaggregation of revenue from contracts with customers)

Product/ Service	As at March 31, 2019			As at March 31, 2018		
	Broadband Business	Cable Television	Total	Broadband Business	Cable Television	Total
Subscription Income	517.52	654.34	**1,171.86**	540.85	573.35	**1,114.20**
Placement and Carriage Income	-	288.64	**288.64**	-	297.74	**297.74**
Activation Income (Set top Boxes)	-	65.89	**65.89**	-	96.36	**96.36**
Other Operating Revenues	10.11	21.79	**31.90**	3.69	22.63	**26.32**

Information about Geographical Areas

Since the group is domiciled in India and caters to domestic customers only, the disclosure requirements of information on geographical areas is not given.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

4.18 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT,2013, OF ENTITIES CONSOLIDATED AS SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

March 31, 2019:

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent	92.22%	3,356.70	-117.03%	219.51	74.02%	0.84	-118.18%	220.35
Subsidiaries (Group's share)								
Indian								
Hathway Bhawani Cabletel and Datacom Ltd*	-0.07%	(2.57)	-0.01%	0.01	0.77%	0.01	-0.01%	0.02
Hathway Digital Private Limited (f.k.a. Hathway Datacom Central Ltd) *	-5.46%	(198.49)	200.98%	(376.99)	14.35%	0.16	202.12%	(376.82)
Hathway Broadband Pvt Ltd	0.09%	3.20	-0.10%	0.18	0.00%	-	-0.10%	0.18
Hathway Krishna Cable Pvt Ltd	-0.38%	(13.88)	3.67%	(6.89)	0.00%	-	3.69%	(6.89)
Bee Network and Communication Pvt Ltd	-0.04%	(1.34)	0.00%	-	0.00%	-	0.00%	-
Hathway Nashik Cable Network Pvt Ltd	-0.28%	(10.33)	0.02%	(0.03)	0.00%	-	0.02%	(0.03)
Hathway Kokan Crystal Cable Network Pvt Ltd	-0.04%	(1.47)	1.30%	(2.43)	0.00%	-	1.30%	(2.43)
Hathway Cnet Pvt Ltd	-0.01%	(0.43)	0.00%	0.00	0.00%	-	0.00%	0.00
Channels India Network Pvt Ltd	-0.04%	(1.32)	0.00%	-	0.00%	-	0.00%	-
Hathway Enjoy Cable Network Pvt Ltd	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
Hathway JMD Farukhabad Cable Network Pvt Ltd	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Chennai Cable Vision Network Pvt Ltd	-0.05%	(1.99)	0.00%	-	0.00%	-	0.00%	-
Hathway Media Vision Pvt Ltd	-0.07%	(2.54)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Elite Cable Network Pvt Ltd	0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-
Hathway United Cables Pvt Ltd	0.00%	(0.16)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
UTN Cable Communication Pvt Ltd	-0.61%	(22.09)	3.69%	(6.92)	0.00%	-	3.71%	(6.92)
Hathway Space Vision Cabletel Pvt Ltd	-0.03%	(1.04)	0.00%	-	0.00%	-	0.00%	-
Hathway Gwalior Cable and Datacom Pvt Ltd	-0.02%	(0.58)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Ideal Cables Pvt Ltd	-0.02%	(0.78)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Binary Technology Transfers Pvt Ltd	-0.04%	(1.64)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Hathway Internet Satellite Pvt Ltd	-0.04%	(1.63)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
ITV Interactive Media Pvt Ltd	-0.01%	(0.42)	0.00%	-	0.00%	-	0.00%	-
Liberty Media Vision Pvt Ltd	-0.06%	(2.27)	0.00%	0.00	0.00%	-	0.00%	0.00
Vision India Network Pvt Ltd	-0.06%	(2.06)	0.00%	-	0.00%	-	0.00%	-
Win Cable & Datacom Pvt.Ltd.	-0.54%	(19.70)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Hathway Mantra Cable and Datacom Pvt Ltd	-0.51%	(18.71)	3.17%	(5.95)	0.00%	-	3.19%	(5.95)
Hathway New Concept Cable and Datacom Pvt Ltd	-0.02%	(0.84)	0.39%	(0.73)	0.00%	-	0.39%	(0.73)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Hathway Software Developers Pvt Ltd	-0.35%	(12.60)	3.00%	(5.63)	0.00%	-	3.02%	(5.63)
Hathway Mysore Cable Network Pvt Ltd	-0.53%	(19.38)	2.99%	(5.61)	0.00%	-	3.01%	(5.61)
Non-controlling interests in all subsidiaries	-0.02%	(0.83)	0.00%	-	0.00%	-	0.00%	-
Indian								
Joint ventures (Investment as per equity method)								
Hathway Cable MCN Nanded Pvt Ltd	0.01%	0.30	0.01%	(0.01)	0.00%	-	0.01%	(0.01)
Hathway ICE Television Pvt Ltd	-0.02%	(0.60)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Hathway Latur MCN Cable and Datacom Pvt Ltd	0.00%	(0.09)	0.04%	(0.07)	0.00%	-	0.04%	(0.07)
Hathway Sai Star Cable and Datacom Pvt Ltd	0.28%	10.12	1.09%	(2.04)	0.00%	-	1.09%	(2.04)
Hathway Sonali OM Crystal Cable Pvt Ltd	0.00%	-	-1.99%	3.74	0.00%	-	-2.00%	3.74
Net 9 Online Hathway Pvt Ltd	0.08%	3.05	-0.03%	0.06	1.34%	0.02	-0.04%	0.07
Hathway Palampur Cable Network Pvt Ltd	0.01%	0.19	0.03%	(0.06)	0.00%	-	0.03%	(0.06)
Hathway Prime Cable and Datacom Pvt Ltd	0.00%	(0.18)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Hathway MCN Pvt Ltd	0.12%	4.41	0.43%	(0.81)	0.00%	-	0.44%	(0.81)
Hathway SS Cable & Datacom LLP	-0.01%	(0.35)	0.11%	(0.20)	0.00%	-	0.11%	(0.20)
Hathway Digital Saharanpur Cable and Datacom Pvt Ltd	-0.08%	(2.96)	0.02%	(0.03)	0.00%	-	0.02%	(0.03)
Hathway Channel 5 Cable and Datacom Pvt Ltd	-0.01%	(0.34)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Hathway Dattatray Cable Network Pvt Ltd	-0.09%	(3.37)	-0.26%	0.49	0.00%	-	-0.26%	0.49
Associate (Investment as per equity method)								
Indian								
Hathway VCN Cablenet Pvt Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Pan Cable Services Pvt Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) *	16.70%	607.69	-1.52%	2.85	9.51%	0.11	-1.59%	2.96
Total	**100.00%**	**3,638.67**	**100.00%**	**(187.57)**	**100.00%**	**1.13**	**100.00%**	**(186.44)**

* Based on consolidated financial statement of the respective entities

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

4.18 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT,2013, OF ENTITIES CONSOLIDATED AS SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

March 31, 2018:

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent	12.53%	98.80	-69.55%	68.91	-91.17%	1.26	-69.85%	70.17
Subsidiaries (Group's share)								
Indian								
Hathway Bhawani Cabletel and Datacom Ltd**	-0.76%	(5.98)	0.01%	(0.01)	-5.53%	0.08	-0.06%	0.06
Hathway Digital Private Limited (f.k.a. Hathway Datacom Central Ltd)	20.99%	165.51	180.40%	(178.74)	-83.74%	1.16	176.76%	(177.59)
Hathway Broadband Pvt Ltd	0.38%	3.01	-0.16%	0.16	0.00%	-	-0.16%	0.16
Hathway Krishna Cable Pvt Ltd	-0.17%	(1.35)	6.23%	(6.18)	0.00%	-	6.15%	(6.18)
Bee Network and Communication Pvt Ltd	-0.17%	(1.34)	0.00%	-	0.00%	-	0.00%	-
Hathway Nashik Cable Network Pvt Ltd	-1.31%	(10.36)	0.60%	(0.60)	0.00%	-	0.59%	(0.60)
Hathway Kokan Crystal Cable Network Pvt Ltd	0.37%	2.88	0.63%	(0.62)	-6.42%	0.09	0.53%	(0.53)
Hathway Cnet Pvt Ltd	-0.06%	(0.43)	0.00%	-	0.00%	-	0.00%	-
Channels India Network Pvt Ltd	-0.17%	(1.32)	0.00%	-	0.00%	-	0.00%	-
Hathway Enjoy Cable Network Pvt Ltd	0.00%	0.01	0.00%	*	0.00%	-	0.00%	*
Hathway JMD Farukhabad Cable Network Pvt Ltd	0.00%	*	0.00%	-	0.00%	-	0.00%	-
Chennai Cable Vision Network Pvt Ltd	-0.25%	(1.99)	0.00%	-	0.00%	-	0.00%	-
Hathway Media Vision Pvt Ltd	-0.32%	(2.54)	0.30%	(0.29)	0.00%	-	0.29%	(0.29)
Elite Cable Network Pvt Ltd	0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-
Hathway United Cables Pvt Ltd	-0.02%	(0.16)	0.00%	*	0.00%	-	0.00%	*
UTN Cable Communication Pvt Ltd	-1.92%	(15.17)	4.81%	(4.77)	0.00%	-	4.75%	(4.77)
Hathway Space Vision Cabletel Pvt Ltd	-0.13%	(1.04)	0.00%	-	0.00%	-	0.00%	-
Hathway Gwalior Cable and Datacom Pvt Ltd	-0.07%	(0.57)	-0.09%	0.09	0.00%	-	-0.09%	0.09
Ideal Cables Pvt Ltd	-0.10%	(0.78)	-0.04%	0.04	0.00%	-	-0.04%	0.04
Binary Technology Transfers Pvt Ltd	-0.21%	(1.63)	-0.06%	0.06	0.00%	-	-0.06%	0.06
Hathway Internet Satellite Pvt Ltd	-0.21%	(1.63)	-0.06%	0.06	0.00%	-	-0.06%	0.06
ITV Interactive Media Pvt Ltd	-0.05%	(0.42)	0.00%	-	0.00%	-	0.00%	-
Liberty Media Vision Pvt Ltd	-0.29%	(2.27)	0.00%	*	0.00%	-	0.00%	*
Vision India Network Pvt Ltd	-0.26%	(2.06)	0.00%	-	0.00%	-	0.00%	-
Win Cable & Datacom Pvt.Ltd.	-2.50%	(19.70)	0.00%	*	0.00%	-	0.00%	*
Hathway Mantra Cable and Datacom Pvt Ltd	-1.62%	(12.76)	7.87%	(7.79)	0.00%	-	7.76%	(7.79)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Hathway New Concept Cable and Datacom Pvt Ltd	-0.01%	(0.11)	1.04%	(1.03)	0.00%	-	1.02%	(1.03)
Hathway Software Developers Pvt Ltd	-1.36%	(10.75)	4.04%	(4.00)	0.00%	-	3.98%	(4.00)
Hathway Mysore Cable Network Pvt Ltd	-2.16%	(17.05)	4.77%	(4.73)	0.00%	-	4.71%	(4.73)
Non-controlling interests in all subsidiaries	0.00%							
Indian	-0.49%	(3.88)	-8.86%	8.78	291.19%	(4.03)	-4.73%	4.75
Joint ventures (Investment as per equity method)	0.00%							
Hathway Cable MCN Nanded Pvt Ltd	0.04%	0.31	0.39%	(0.38)	0.00%	-	0.38%	(0.38)
Hathway ICE Television Pvt Ltd	-0.08%	(0.60)	0.01%	(0.01)	0.00%	-	0.01%	(0.01)
Hathway Latur MCN Cable and Datacom Pvt Ltd	0.00%	(0.03)	0.02%	(0.02)	0.00%	-	0.02%	(0.02)
Hathway Sai Star Cable and Datacom Pvt Ltd	1.54%	12.16	-8.28%	8.20	0.00%	-	-8.17%	8.20
Hathway Sonali OM Crystal Cable Pvt Ltd	0.04%	0.35	0.34%	(0.34)	0.00%	-	0.34%	(0.34)
Net 9 Online Hathway Pvt Ltd	0.38%	2.98	-0.21%	0.21	-1.47%	0.02	-0.23%	0.23
Hathway Palampur Cable Network Pvt Ltd	0.03%	0.25	0.21%	(0.21)	0.00%	-	0.21%	(0.21)
Hathway Prime Cable and Datacom Pvt Ltd	-0.02%	(0.18)	0.06%	(0.06)	0.00%	-	0.06%	(0.06)
Hathway MCN Pvt Ltd	0.66%	5.23	0.42%	(0.41)	1.30%	(0.02)	0.43%	(0.43)
Hathway SS Cable & Datacom LLP	-0.02%	(0.16)	0.73%	(0.72)	0.00%	-	0.72%	(0.72)
Hathway Bhawani NDS Network Pvt Ltd	0.06%	0.49	0.00%	-	0.00%	-	0.00%	-
Hathway CCN Multinet Pvt Ltd	0.85%	6.70	-0.29%	0.29	0.00%	-	-0.28%	0.29
Hathway CCN Entertainment (India) Pvt Ltd	0.64%	5.07	-0.12%	0.12	0.00%	-	-0.12%	0.12
Hathway CBN Multinet Pvt Ltd	0.08%	0.61	0.23%	(0.23)	0.00%	-	0.23%	(0.23)
Hathway CCN Multi Entertainment Pvt Ltd	0.35%	2.79	0.29%	(0.28)	0.00%	-	0.28%	(0.28)
Hathway Digital Saharanpur Cable and Datacom Pvt Ltd	-0.37%	(2.92)	0.01%	(0.01)	0.00%	-	0.01%	(0.01)
Hathway Channel 5 Cable and Datacom Pvt Ltd	-0.04%	(0.33)	0.16%	(0.16)	0.00%	-	0.16%	(0.16)
Hathway Dattatray Cable Network Pvt Ltd	-0.49%	(3.87)	0.26%	(0.26)	0.00%	-	0.26%	(0.26)
Associate (Investment as per equity method)								
Indian								
Hathway VCN Cablenet Pvt Ltd	0.00%	-		-	0.00%	-	0.00%	-
Pan Cable Services Pvt Ltd	0.00%	-		-	0.00%	-	0.00%	-
GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) (Refer Note 4.12 (b) and 4.14)**	76.70%	604.80	-26.10%	25.86	-4.17%	0.06	-25.80%	25.92
Total	**100.00%**	**788.51**	**100.00%**	**(99.08)**	**100.00%**	**(1.38)**	**100.00%**	**(100.46)**

** Based on consolidated financial statements of the respective entities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Crores unless otherwise stated)

4.19 The Company is in the process of evaluating the impact of the recent decision of the Supreme Court in case of Vivekananda Vidyamandir and the related circular dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "Basic Wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Act, 1952. In the assessment of the management which is supported by the legal advice, the aforesaid matter is not likely to have a material impact as on March 31, 2019 and accordingly, no provision has been made in these financial statements.

4.20 Previous year's figures have been reclassified/regrouped wherever necessary.

As per our report of even date

For Nayan Parikh & Co
Chartered Accountants
Firm's Registration No: 107023W

(K.Y. Narayana)
Partner
Membership No: 060639

Place: Mumbai
Date: April 15, 2019

For and on behalf of the Board

(Viren Raheja)
Director
DIN: 00037592

(Rajan Gupta)
Managing Director
DIN: 07603128

(Ajay Singh)
Head Corporate Legal, Company Secretary
& Chief Compliance Officer
FCS - 5189

(Sitendu Nagchaudhuri)
Chief Financial Officer

Place: Mumbai
Date: April 15, 2019

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HATHWAY CABLE AND DATACOM LIMITED
'Rahejas', 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai – 400054
Tel: 91-22-26001306 Fax: 91-22-26001307
CIN: L64204MH1959PLC011421
Website: www.hathway.com ; E-mail: info@hathway.net

ATTENDANCE SLIP

Registered Folio No./ DP ID No. / Client ID No:	
Name and address of the Member(s): Joint Holder 1: Joint Holder 2:	
Number of Shares held:	

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 59th Annual General Meeting of the Company at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400 049 on Wednesday, 31st July, 2019 at 3.00 p.m.

_______________________ _______________________

Name of the member / proxy   Signature of member / proxy

Note:

1. *Only Member/Proxyholder can attend the Meeting.*
2. *Please fill up the attendance slip and hand it over at the entrance of the meeting hall.*
3. *Members are requested to bring their copies of the Annual Report to the Annual General Meeting.*

HATHWAY CABLE AND DATACOM LIMITED

'Rahejas', 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai – 400054

Tel: 91-22-26001306 Fax: 91-22-26001307

CIN: L64204MH1959PLC011421

Website: www.hathway.com ; E-mail: info@hathway.net

MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

59th Annual General Meeting – 31st July, 2019

Name of the Member(s)	:
Registered Address	:
Email	:
Folio No. / Client ID	:
DP ID	:

I/We, being the member(s) of ______________________ shares of the above named Company, hereby appoint

1. Name: ______________________ E-mail Id: ______________________

   Address: ______________________

   Signature: ______________________

or failing him/her

2. Name: ______________________ E-mail Id: ______________________

   Address: ______________________

   Signature: ______________________

or failing him/her

3. Name: ______________________ E-mail Id: ______________________

   Address: ______________________

   Signature: ______________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 59th Annual General Meeting of the Company, to be held on Wednesday, 31st July, 2019 at 3.00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400049 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Voting		
		For	Against	Abstain
ORDINARY BUSINESS				
1	Adoption of:			
	(a) Standalone Financial Statements for the year ended 31st March, 2019 comprising of the Audited Balance Sheet as at 31st March, 2019 and the statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with Report of Directors and Auditors thereon.			
	(b) Consolidated Financial Statements for the year ended 31st March, 2019 comprising of the consolidated Audited Balance Sheet as at 31st March, 2019 and consolidated statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with Report of Auditors thereon.			
2	To re-appoint Mr. Akshay Raheja (DIN 00288397) as Non-Executive Director, who is liable to retire by rotation and being eligible, seeks reappointment.			
SPECIAL BUSINESS				
3	To alter the Articles of Association of the Company.			
4	To appoint Ms. Geeta Fulwadaya (DIN: 03341926) as Non-Executive Director of the Company.			
5	To appoint Mr. Saurabh Sancheti (DIN: 08349457) as Non-Executive Director of the Company.			
6	To appoint Mr. Anuj Jain (DIN: 08351295) as Non-Executive Director of the Company.			
7	To appoint M/s. Ashok Agarwal & Co., Cost Accountants, (Firm Registration No. 000510) as Cost Auditors of the Company.			

Signed this ______________ day of _________________________ 2019

Affix revenue Stamp of ₹ 1/-

Signature of shareholder _____________________________________

Signature of Proxy holder(s) __________________________________

Note:

1. *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
2. *It is optional to indicate your preference. If you leave, "the for, against or abstain column" blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.*

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