

Hathway Cable and Datacom Limited

Business Responsibility Report

2018-2019

INTRODUCTION

Hathway Cable and Datacom Limited (HCDL) is one of India's largest Multi System Operator providing internet services with presence in 16 cities. With approximately 5.5 Mn two-way broadband home passes.

Our bouquet of products is designed to deliver value to customers and other stakeholders across the Broadband business, which continued to post exciting growth and expansion to notch many more milestones of success during Financial Year 2018 -19.

It is our aim to provide the best service and experience to our customers through broadband offerings. In doing so, we also aim to be an organization that is conscious of our environmental and social impact. The Company is well positioned to benefit from the robust growth of the Media and Entertainment Industry through its unique presence in broadband sector.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:**
L64204MH1959PLC011421
2. **Name of the Company:**
Hathway Cable and Datacom Limited
3. **Registered address:**
Rahejas, 4th Floor, Corner of Main Avenue and V.P. Road, Santacruz (W), Mumbai - 400054
4. **Website:**
www.hathway.com
5. **E-mail id:**
info@hathway.net
investorgrievance@hathway.net
6. **Financial Year reported:**
2018-19
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**
Division 61 of NIC Code 2008:

Broadband Service-61104
8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**
The Company provides Cable Broadband Services on Pan India basis.
9. **Total number of locations where business activity is undertaken by the Company:**
 - i. Number of International Locations - None
 - ii. Number of National Locations – 16 Cities (4 metros and 3 mini metros)
10. **Markets served by the Company – Local/State/National/International:**
The Company has a strong presence all across India. It is not present in any International market.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR):

The paid up capital of the Company is Rs. 354,02,09,000/- (Rupees Three Hundred Fifty Four Crores Two Lakhs and Nine Thousand Only).

2. Total Turnover (INR): 582.49 Cr (on standalone basis)

3. Total profit after taxes (INR): 211.45 Cr * (on standalone basis)

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

Owing to the provisions cited in Section 135 of the Companies Act, 2013, the Company is not required to spend on CSR activities.

5. List of activities in which expenditure in 4 above has been incurred:-

As stated in 4 above, the Company is not required to spend on CSR activities.

* Total comprehensive income considered

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company / Companies?

As on 31st March, 2019, the Company has 46 subsidiary companies, as defined under section 2(87) of the Companies Act, 2013.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):

The Company has embarked on disclosing its Environmental, Social, and Governance (ESG) initiatives as per the BRR framework. The Company aspires to seek support from its various subsidiary companies in the years to come, to participate in its various BR initiatives.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

The Company complies with the provisions of BR independently which does not include BR initiatives of any third-party entity/entities like supplier, distributors, agencies, etc. As the Company matures in this sphere, it will also encourage its supply chain partners to partake in such activities. The Company has formulated a Code of Conduct for Business Associates which lays the guidelines for external partners of the Company to conduct business in a responsible manner while also being cognizant of its environmental impacts.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

BRR Committee of the Company, which is responsible for implementing, executing, overseeing and reviewing its BR performance comprises of following members:-

Name	DIN Number	Designation	
Mr. Rajan Gupta	07603128	Managing Director	Chairman
Mr. Viren Raheja	00037592	Non-Executive Director	Member

b) Details of the BR head:

As mentioned in the table above, the BRR Committee is chaired by Mr. Rajan Gupta and his details are given below:

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	07603128
2.	Name	Mr. Rajan Gupta
3.	Designation	Managing Director
4.	Telephone number	(022) 67742500
5.	E-mail id	info@hathway.net investorgrievance@hathway.net

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N):

P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability;

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle;

P3 - Businesses should promote the wellbeing of all employees;

P4 - Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized;

P5 - Businesses should respect and promote human rights;

P6 - Businesses should respect, protect, and make efforts to restore the environment;

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner;

P8 - Businesses should support inclusive growth and equitable development;

P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner;

a) Details of Compliance:

Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y*								
Has the policy been approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Indicate the link for the policy to be viewed online?	Y ⁺								
Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the company carried out independent audit/evaluation	Y**								

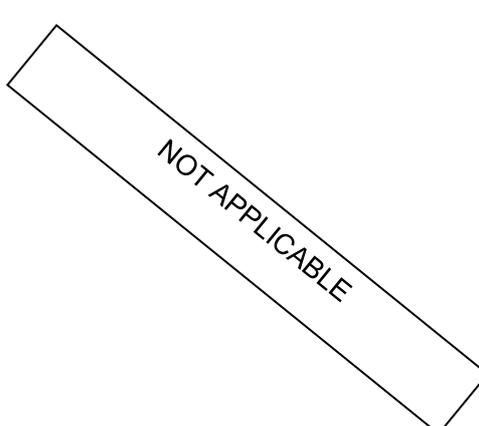
of the working of this policy by an internal or external agency?									
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(*) – The policies have been developed on the lines of the ‘National Voluntary Guidelines on Social, Environment, and Economic responsibilities of businesses’ established by the Ministry of Corporate Affairs, Government of India in 2011.

(+) – All the policies are available internally. For more details, please contact info@hathway.net/investorgrievance@hathway.net

(**) - The policies are currently evaluated internally and would be subjected to external audits as applicable.

b) If answer to Sr. No. 1 against any principle, is ‘No’, please explain why: (Tick up to 2 options):

Sr. No.	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR:

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Business Responsibility (BR) committee meets annually to assess the BR performance of the Company.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes a BR Report which is displayed annually on the website of the Company i.e. www.hathway.com and the link of the same is provided in the Annual Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company has always believed in doing business ethically and in a transparent manner, which is anchored on the values of trusteeship, transparency, ethical corporate citizenship, empowerment, control and accountability. The Company follows a Code of Conduct with an underlying belief of conducting business in an ethical manner. . Our philosophy is to conduct business with high ethical standards and professionalism in our dealings with all the stakeholders that includes employees, customers, suppliers and the government. The directors and senior management personnel are required to reaffirm their compliance to the code, acknowledge and execute an understanding of the Code of Conduct on an annual basis.

The Compliance Officer of the Company is available to answer questions/queries and provide assistance to the directors and senior management personnel in complying with the Code of Conduct of the Company.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Code of Conduct of the Company provides guidelines on ethics, bribery and corruption. It is binding on all employees, directors and senior management personnel. The code covers various aspects of responsible behavior.

Our Code of Conduct for Business Associates which includes suppliers, vendors and joint ventures provides similar guidance for our external business partners.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has a very thorough internal and external redressal mechanism as it has a significant bearing on the stakeholder and the organization.

The Stakeholder's Relationship Committee comprising of Ms. Ameeta Parpia, Mr. Viren Raheja, and Mr. Rajan Gupta diligently consider and resolve the grievances of security holders of the Company related to transfer of shares etc. Shareholders with any issues may email their grievances to investorgrievance@hathway.net; info@hathway.net. During the year, the Stakeholder's Relationship Committee did not receive any complaint.

The Company, through its formulated Vigil Mechanism Policy, regulates the redressal mechanism for employees.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Our broadband service to the masses allows us to create positive impact on the society. The services we offer are secure and continual to the end users. Through our innovative approach, we have launched several technology initiatives that are in line with the Digital India initiative of the Government of India and the services provided contribute to sustainability throughout their life cycle. Moreover the Company ensures to implement compliance with relevant laws on ethical competition, non-discriminatory policies and practices at work, prohibition of child labour, safe working conditions and accuracy of company records, among others.

1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.

The Company meticulously follows the applicable regulation / guidelines issued from time to time by Ministry of Information and Broadcasting (MIB), Telecom Regulatory Authority of India (TRAI) in rendering its services.

We have continued to strengthen our portfolio through new collaborations. We have also reinforced our backend system with the latest hardware and software to enhance our technical abilities and serve our customers better. Our efforts to bring various content providers within the ambit of our Internet Service Provider (ISP) offering also promises to open new avenues for growth.

We have designed and developed special user/customer education program and separate uploads that takes care of social and environmental concerns and possible risks and opportunities, cost saving due to use of new, updated technology and higher speed.

Identifying an untapped opportunity in high-speed internet connectivity, especially in metros and tier 2 towns for faster speeds and seamless connectivity, we have upgraded Docsis-3.1 and GPON technology which provides speed in the high range of 200-500 MBPS thus satisfying the needs of our customers.

2. For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.

Considering the nature of business, the Company, which is service oriented, is not material intensive and hence the details on resource usage are not applicable.

3. Does the company have procedures in place for sustainable sourcing (including transportation). If yes, what percentage of your input was sourced sustainably?

Digital connectivity is becoming integral to economic and social development. Over the years, the Company through broadband services has served as a catalyst to bridge the digital divide. Its robust network and far reaching distribution helped in strengthening the entire process. Besides, the Company is constantly expanding its bouquet of services and enhancing its communication technologies to make positive impact on the communities it works with. Further the Company has been seeking vendor commitments to good sustainability practices before registering them on board.

The Company also maintains healthy relationship with its content providers, vendors and other suppliers. We also confirm safe working conditions, prevention of child labour, business ethics and general house-keeping by the vendor.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Our business expansion activities include digging trenches and laying cables. For carrying out such activities, we often procure material and employ the services of people from the nearby areas itself as this provides a means of livelihood to them along with skill development and employment to locals from such areas.

5. Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?

As a Company aware of the responsible use of finite natural resources, we have a focused approach to manage the waste generated by our operations. The intrinsic aspect of the Company's environmental commitment towards recycling and environmentally safe disposal of waste is non-negotiable.. In this regard, the scrap and waste generated wherever possible is channelized to recycler(s), dismantler(s). Being service industry, our disposal of waste, recycling product and waste is limited to the distribution equipment we use for providing the broadband services.

The waste generated by us is mainly from our cabling activities. We generate waste in the form of:

- Co-axial cables
- Equipment enclosures
- Fiber optic, CAT5, CAT6 cables
- Electronic waste, etc.

Wherever possible, we recycle or upcycle certain materials like cables and enclosures which can be used in other locations. Further the Company continues to take initiatives to minimize waste that is generated by its operations. This will ensure end-to-end traceability and recycling of both physical waste and e-waste.

Principle 3: Businesses should promote the well-being of all employees

The Company considers human resources as the most valuable asset and essential for persistent growth of business and strives to create shared values through inclusive growth, bringing out a measurable change in the lives of its employees and communities. The Company believes that a healthy working environment founded on the principles of empathy and symbiosis can unleash the full potential of the employees. Over the years, the Company has steadily built a culture of empowerment and providing appropriate opportunities to support its employee's aspirations. The Company aims to create a working environment that is supportive of employees' personal lives, while meeting the business needs of the Company.

Our workforce

1. Please indicate the Total number of employees.



As on 31st March, 2019, the total number of employees stands at 387.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

As on 31st March, 2019, the total number of employees hired on contractual basis is 3966.

3. Please indicate the Number of permanent women employees.

As on 31st March, 2019, the total number of permanent women employees 23.

4. Please indicate the Number of permanent employees with disabilities.

As on 31st March, 2019, there is 1 employee with disabilities.

5. Do you have an employee association that is recognized by management?

There is no employee association that is recognized by the management.

6. What percentage of your permanent employees are members of this recognized employee association?

Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

We have effective policies in place like the Prevention of Sexual Harassment Policy which provides awareness to employees on acceptable behaviour at the workplace. The policy also provides the detailed procedure for complaining about actions in non-compliance with the policy.

The effectiveness of our policies is indicated by the following table which shows no complaints received in the reporting year.

Sr. No.	Category	No. of Complaints filed during the financial year	No. of complaints pending as on end of this financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of employees was given safety & skill up-gradation training in the last year?

Skill-upgradation Training	Safety Training
NIL	100%*

*Last year all employees of our Mumbai, Bangalore and Hyderabad locations, were provided safety training.

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized.

The Company actively engages with stakeholders not only to understand and address their key issues but also engages much beyond its own operations to bring transformational change. Stakeholder



engagement and partnership is essential to grow the business of the Company. Depending on the purpose of the engagement, the Company adopts appropriate practice to interact with them. Post engagement, the Company endeavors to close the loop as it is the key to maintain symbiotic relationship with its stakeholders.

1. Has the company mapped its internal and external stakeholders?

Our Stakeholders play a very important role in our business performance and our business activities are based on creating value for our stakeholders. Following are some of the stakeholders identified by us.

Internal	External
Employees	Contractors and vendors
Shareholders	
	Content providers
	LCOs
	Regulatory bodies and policy makers
	Communities
	Customers

2. Has the company identified the disadvantaged, vulnerable, and marginalized stakeholders?

No, the Company is yet to identify such stakeholders. .

Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company works with all the stakeholders through a consultative process whereby the concerned issues of the various stakeholders if any are addressed.

Principle 5: Businesses should respect and promote human rights

The Company has the Policy on Human Rights applicable to its employees. The policy and its implementation is directed towards adherence to applicable laws and to uphold the spirit of human rights. The Company is sensitive towards the rights of individuals who are directly or indirectly associated with the Company. The Company provides them a work environment which is free of harassment and discrimination. The Company complies with all applicable local, state and national laws regarding human rights and worker’s right wherever it does business.

The Company’s policy on Prevention of Sexual Harassment prohibits harassment or offensive conduct of any form in the work place, whether committed by employees / non-employees / consultants / contract labour / outsourced parties or employees of any third party appointed by the organization. The Company also provided grievances redressal systems with a view to provide an effective means for employees to raise their concerns.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company has developed a policy on human rights which is applicable to all employees of the Company including our business associates. The Company encourages its stakeholders to adopt



the principles as laid down in the Human Rights policy. The Company's approach to human rights is based upon prevailing national laws and internationally accepted best practices.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

We have received 1 complaint through our Vigil/Whistleblower Mechanism in the past financial year and the same was resolved satisfactorily.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

Though the scope of our business limits the extent of our activities that can affect or be affected by issues of climate change and global warming; still protection of environment ranks high among our corporate goals and as a responsible corporate citizen, we have the EHS (Environment, Health & Safety) Policy in place. The Company is also aware of the role it plays in society in creating awareness on environmental and social issues through its broadcasting services, and the Company is also committed in doing its best to protect the environment.

1. Does the policy related to Principle 6 cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The EHS policy instituted by the Company is focused on nurturing and safeguarding the environment for sustainable business. It also aims towards protection and safety of our workforce and our Sustainable Development policy aims to provide long-term vision and growth to the society involving contributions from all stakeholders both internal and external. This policy applies to all our permanent employees, contractual employees, and external business associates.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?

The Company being a service-oriented organization, the impact on the environment as a result of our business operations is minimal. In view of the above, we do not have any strategies or initiatives aimed at tackling global environmental challenges.

3. Does the company identify and assess potential environmental risks?

As the Company is involved in laying cables, the Company takes pertinent clearances from concerned regulatory bodies. The Company provides adequate safety equipment's and safe working conditions to the ground operations staff in order to avoid any kind of injuries or accidents. The Company also ensures that we do not cause any irreparable damage to the environment or surroundings. .

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if yes, whether environmental compliance report is filed?

We do not have any such projects registered under CDM.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

Though the Company has not undertaken any specific initiatives related to clean technology or efficient and renewable energy, the Company ensures clean and energy efficient technology while deploying anything new.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The same is not applicable to the Company as our business activities do not involve the generation of effluents and air emissions. However, we comply with the e-waste (Management & Handling) Rules, 2016 and recycle all the e-waste generated, through Government approved recyclers.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

We have not received any show cause / legal notices from CPCB or SPCB.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company has always adhered to its principle of transparency through timely and adequate disclosure of information to public and regulatory bodies. The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders. As a responsible corporate, the Company believes in engaging responsibly and allows only authorised and trained officials to interact with trade chambers and industry associations that influence policy making and ensures that its public policy positions complements and advances its sustainability and citizenship objective. The Company has been an active participant in representations to the regulatory bodies, through these, we frequently voice our opinions and concerns to drive change, and promote development for all.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is an active member of the following associations:

- All India Digital Cable Federation (AIDCF);

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Company is an active participant in various advocacy undertaking by AIDCF for development of the Broadcasting and Cable sector.

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

- Though the Company had carried out various activities in the financial year 2017-18, the Company was not in a position to take up any specified programmes or initiatives in the financial year 2018-19.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Since the Company has not taken up any activity, the said is not applicable.

3. Have you done any impact assessment of your initiative?

Not Applicable for the said period as stated in 1 above.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company has not undertaken any project

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Though the Company has not carried out any activities in the said period, but it constantly encourages the participation of employees in the activities related to social causes.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The rising growth of internet access in the country and rapidly changing technology has changed peoples' lives in many ways. The Company chooses to work in a sensitive and responsible manner to create a partnership with its customers for enhancing and enriching their experience. We ensure successful implementation of new digital initiatives and bring the latest innovation to our customers at affordable prices. Up-to-date latest technological trends are made available to our customers and there is a constant urge to improve our business processes in order to provide best in class services. The Company persistently endeavors in meeting customer needs, adding value and exceeding their expectations. The Company strongly believes in being ethical about its operations with customers.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

None of the consumer complaints/consumer cases are pending as on the end of the financial year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

This is not applicable to us as we are not involved in the sale of any product. We provide a Manual of Practice, for our broadband customers, which carry information like Consumer Care Numbers and Complaint Redressal Mechanisms.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There are no cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company has not carried out any consumer survey/ consumer satisfaction trends during the last financial year.