



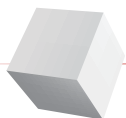
TOWARDS A NEW DIGITAL ERA

Annual Report - 2013-14

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CORPORATE INFORMATION



BOARD OF DIRECTORS

Mr. Brahmam Vasudevan
Chairman

Mr. Rajan Raheja
Director

Mr. Akshay Raheja
Director

Mr. Viren Raheja
Director

Mr. Jagdish Kumar G. Pillai
Managing Director & CEO

Mr. Vinayak Aggarwal
Director

Mr. Sasha Mirchandani
Director

Mr. Sridhar Gorthi
Director

Mr. Devendra Shrotri
Director

Mr. Biswajit Subramanian
Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ajay Singh

REGISTERED OFFICE

“Rahejas”, 4th Floor,
Corner of Main Avenue & V. P. Road,
Santacruz (W),
Mumbai - 400 054.

STATUTORY AUDITORS

G. M. Kapadia & Co.
Chartered Accountants

COST AUDITORS

Dr. Ashok Kumar Agarwal & Co.

ADVOCATES & SOLICITORS

AZB & Partners
Law Offices of Indu Malhotra &
Associates
Thakore Jariwala & Associates

CIN No.

L64204MH1959PLC011421

BANKERS

Axis Bank Limited
Yes Bank Limited
ING Vysya Bank Limited

REGISTRAR & TRANSFER AGENT

Link Intime India Private Ltd
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai - 400 078
Tel: 25963838, Fax: 25946969



TOWARDS A NEW DIGITAL ERA

We live today in a world that is vibrant and dynamic. Connected seamlessly across borders, it's a world where communication is measured not in minutes or even seconds, but in milliseconds. Where sharing of precious personal moments with close ones no longer requires physical presence and images are transferred with the click of a mouse.





This is the world of digitisation, the source of contemporary media. Where traditional communication technologies have given way to a new, pulsating communication order. Where the pace of communication virtually matches the speed of thought!

Digitisation has transformed the world of entertainment. It has changed the face of the cable industry and has unveiled a new growth agenda for the players in this business. For the early movers, it has unfolded a huge opportunity matrix, waiting to be captured and capitalised.

As one of the first companies to adapt to the new digital regime, Hathway is well positioned to grab the potential it opens up for progress in the future. With our combination of cable and broadband services, we are expanding our bandwidth to deliver a wider choice to our customers, with better pricing, quality and service.

And this is just the beginning. As the transformation process continues, digitisation is fast becoming the core of our progressive growth agenda, steering our strategic charter for the future. The era that lies ahead of us promises to transform our lives in unimaginable ways.

LEADING THE WAY... TOWARDS A NEW DIGITAL ERA

With the digitisation process unfolding new opportunities for growth, we, at Hathway, are continuously transforming ourselves to take on the challenges of tomorrow.

As India's leading Multi System Operator (MSO) offering a blend of Standard Definition (SD) & High Definition (HD) Cable TV channels services and High-Speed Internet services, we are transforming our systems and processes to leverage the burgeoning growth potential.

With our inherent strengths and focussed initiatives, we are all set to unveil a digital story that will transform the face of tomorrow's entertainment and information sharing. With a total subscriber base of over 11.5 Million households for CATV, we are today the largest MSO in the country. Our digital subscriber base of 8 Million, as on March 31, 2014, is the largest in India.

We are India's largest cable broadband service provider.

QUICK FACTS

- First cable operator in the country to offer broadband services
- First cable operator to offer HD services
- Carries 320 Standard Definition (SD), 27 High Definition (HD) and 9 Radio channels and services through 23 High-Quality Digital Head-ends
- Among the fastest providers of Broadband services at 50 Mbps over our DOCSIS 3 infrastructure.



OUR VISION

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

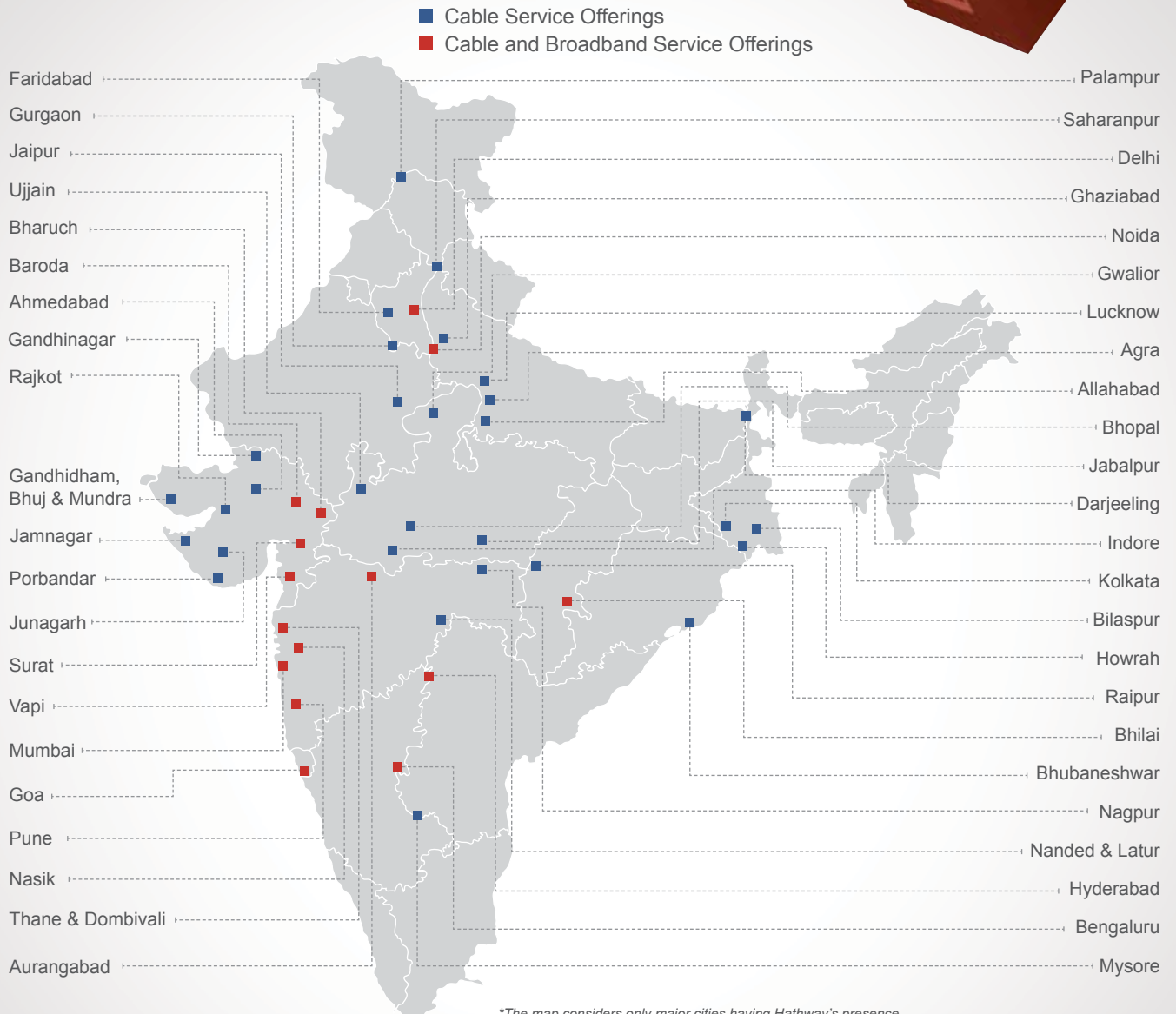
STOCK TICKER

BSE: 533162 | NSE: HATHWAY | Bloomberg: HATH:IN |
Reuters: HAWY.NS



GEOGRAPHIC DIVERSITY

Delivering services in 160 Cities & towns across 20 states, with leading presence in key geographies



**The map considers only major cities having Hathway's presence.*

THE TRANSITION FROM ANALOG TO DIGITAL

Television is today much more than an electronic device to be enjoyed at leisure. It is a game-changer that opens up a whole new world of entertainment and information at the press of the button. Just as the computer unleashes a novel experience transcending borders, with seamless broadband connectivity that is now a norm rather than an exception.

This change is not just about better technology; it is about a different and superior transmission format. It is about the exponential transformation from analog to digital signals.

In order to enable a smooth shift from analog to digital services, the Government mandated four-phase implementation of digital addressable cable TV systems, with the final phase scheduled to be completed by the end of FY2014. The mandate has been designed in a way that helps protect consumer interest, facilitates broadcasting and cable television service availability, and ensures service quality.

Digitisation has transformed the world of entertainment and changed the face of the industry, setting the pace for a virtual communication revolution. Seizing the early mover advantage, we have initiated several measures to remain ahead of the industry as we surge forward into the new digital era.

The following pages will narrate our electrifying journey through transformational initiatives, and the eventual value they are helping deliver to our expanding customer base.



THROUGH SUPERIOR TECHNOLOGIES

If unusual thinking is the trailblazer of transformation, then innovative technology is its pathfinder. Leveraging our innovation-led legacy and expertise, we have developed a superior back-end technology infrastructure and created a hybrid delivery network that is designed to meet the needs of the new digital era.

A LOOK AT THE INITIATIVES UNDERTAKEN DURING FY2014 TO BUILD OUR TECHNOLOGICAL PROWESS:

CATV INFRASTRUCTURE

Our CATV infrastructure comprises 23 state-of-the-art digital Head-ends, sourced from global market leaders such as Ericsson and CISCO. In addition, we have 16,000 kms. of Hybrid Fibre Coaxial (HFC) Network. The HFCs are powered by a telecom fibre network that ensures maximum uptime of our video network and enables us to offer High Definition channels.

STBs AND CAS

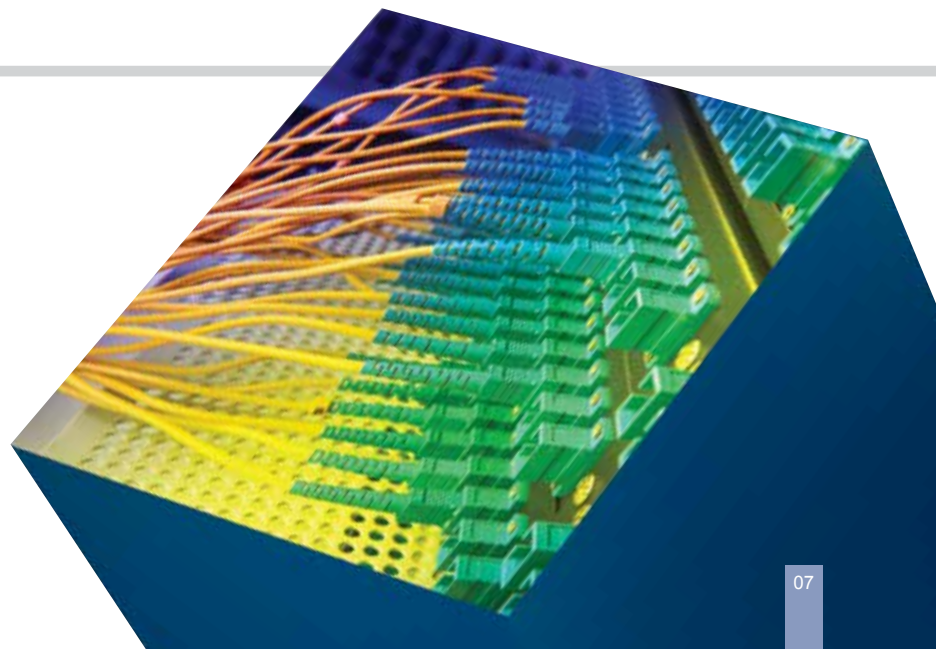
Our Standard Definition (SD) and High Definition (HD) high-quality Set-Top Boxes (STBs) offer premium video and audio quality. STBs are manufactured by Skyworth, a renowned industry leader. They are deployed with the industry's most reputed and leading Conditional Access System (CAS) from CISCO. The system is integrated with our digital Head-ends that enable us to offer different services to a national audience.

INNOVATIVE EPG

In order to make television viewing an out-of-the-box experience for consumers, we introduced a unique Electronic Programme Guide (EPG) in current year. The guide allows channel banner to display the programme synopsis and other details; on-screen guidance enabling searching for programmes by genre and much more. With bright features, clear graphics, easy-to-use menus and information at one's fingertips, this is a handy tool that is fast becoming a favourite with our customers.

BROADBAND INFRASTRUCTURE

We are the first MSO to offer broadband internet services in the country. We now offer high speed broadband on DOCSIS 3.0 standards.



THROUGH STRONG CUSTOMER FOCUS

Digitisation has opened the window to a unique customer experience like never before, providing the customer with a 360° view of his relationship with Hathway and steering our transformation from a B2B to a B2C player. This 360° transformation across all systems and processes is enabling us, at Hathway, not only to connect better with our customers but, in fact, to enhance their multimedia experience across Television and Broadband.



The B2C experience is achieved through a subscriber management system. We have put in place Oracle Billing and Revenue Management (OBRM) infrastructure to help deliver a 360° customer experience through our state-of-the-art call centres. Our call centre partners are leaders in the space.

A JOURNEY POWERED THROUGH PEOPLE

Passionate commitment begins with people. Our people-focussed policies have been a critical factor in our digitisation journey.



Our confidence in achieving the transformational agenda is bolstered by our strong team, whose resilience, passion for leadership and execution excellence continue to raise the bar of service and customer satisfaction.

In our transformation into a customer-facing Company, the Management team has brought together professionals who possess cross-functional skill sets from broadcasting, telecom and retail industries, to complement experienced incumbent members.

The transformation has brought about a change in the organisational culture, which has, in turn, led to improvement in customer confidence and satisfaction with our offerings and services. The change has infused complete freshness and renewed customer focus into the system, right from the top management, going deep down to the on-ground employee.



THROUGH 360° CUSTOMER EXPERIENCE

Our Conditional Access System and back-end infrastructure work together to deliver a wide choice to our customers. We have launched channel packages that are customised to specific market segments.

We offer a wider array of Standard Definition and High Definition products. The Mumbai Head-end, for instance, offers more than 300 SD and 30 HD channels through various packages for our subscribers.

In addition, we have launched several localised channels to cater to specific tastes in each of our markets.



As audiences start consuming media content across a wide variety of screens, our hi-speed broadband infrastructure is best equipped to exploit the opportunities and cater to the overall wider market.

Our passionate commitment to deliver the best to our customers, across platforms and offerings, has paved the way for ensuring a holistic experience that is empowering, enabling and entertaining. With our business processes and methodologies becoming more customer-centric, we are now firmly focussed on creating a new digital era of greater experiential consumer connect.

REINFORCING OUR LEADERSHIP POSITION

Our transformational journey into the digital era has further reinforced our leadership position.

We partnered with Oracle to present the Executive Leadership Summit, in May 2014, in Mumbai. As an industry leader, we held this first-of-its-kind exclusive industry event that was designed to encourage sharing of best practices, challenges and usher in new opportunities opening up in the Digital TV space.

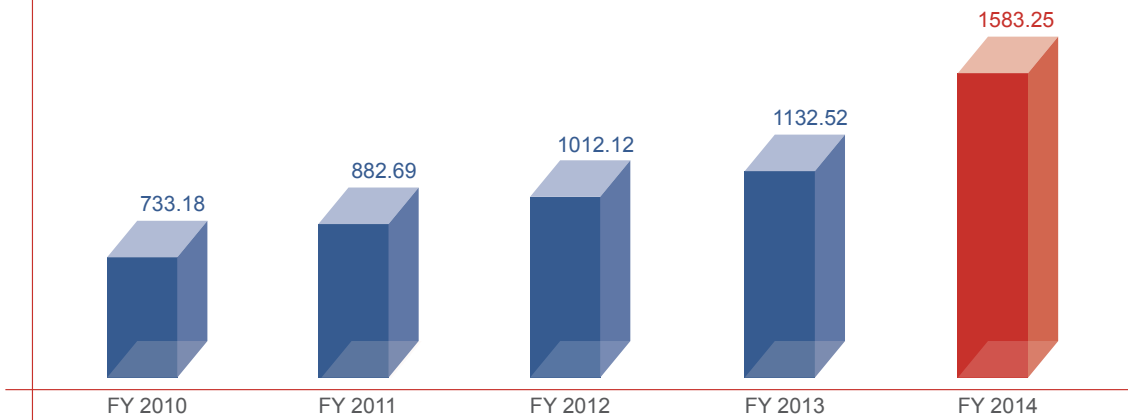
We are amongst the most recognised MSOs in the industry:

- Best MSO by Indian Telly Awards - for a record 8 times
- Star News Brand Excellence Awards for Digital Products and Internet services
- Excellence in Digitising India award from The First Indian Digital TV Honours

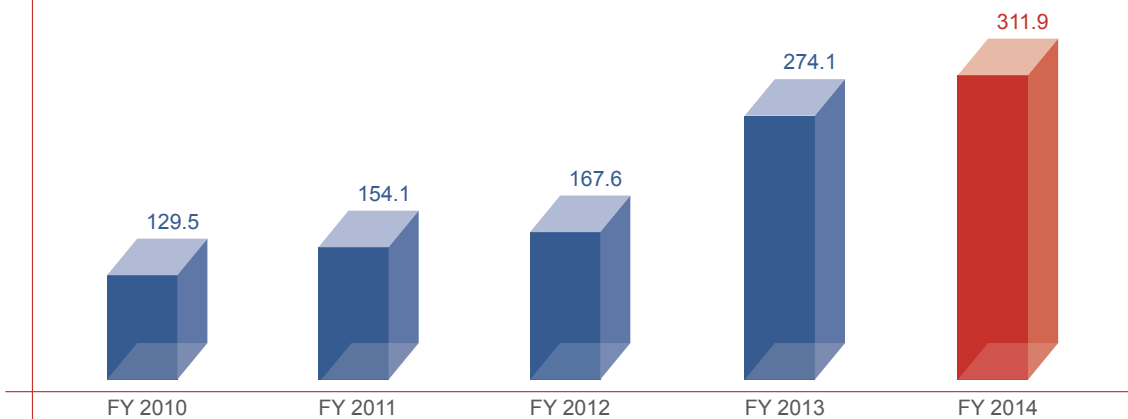


5-YEAR HIGHLIGHTS

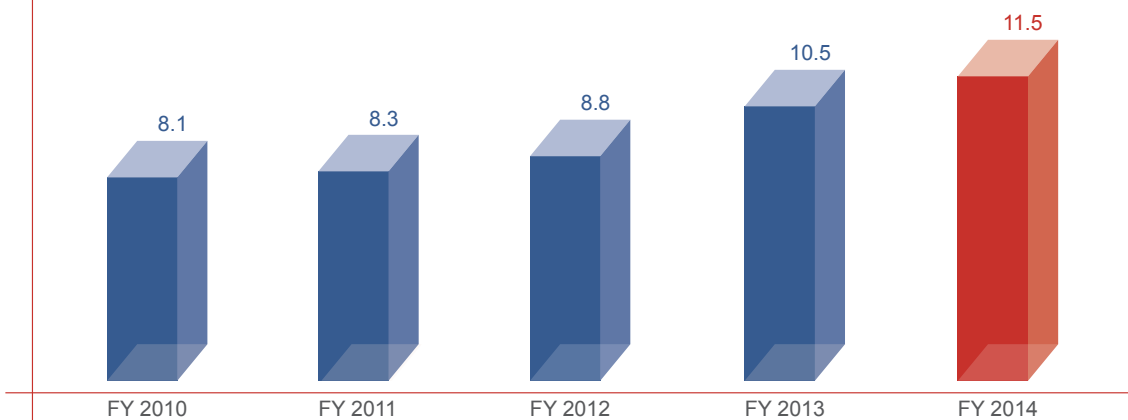
Consolidated Revenues (in ₹ Crores)



Consolidated EBITDA (in ₹ Crores)



CATV Universe (in Million)



PROFILE OF BOARD OF DIRECTORS

Mr. Brahmam Vasudevan

Chairman & Independent Director

Education

MBA from the Harvard Business School and graduated with first class honours in aeronautical engineering from Imperial College in London.

Professional experience

Founded Creador in 2011 and previously spent 11 years as a General Partner and Managing Director of ChrysCapital, a leading private equity firm focused on growth capital investments in India. He was part of the senior leadership team that grew assets under management from \$64 Million to \$2 Billion. Prior to joining ChrysCapital, Brahmam was at ASTRO, a pay-TV operator in South East Asia, where he was involved in strategy, marketing and expansion into neighbouring countries.

Mr. Rajan Raheja

Director

Education

B.Com

Professional experience

Holds Directorship in diversified industries including Real Estate, Batteries, Building Materials, Petrochemicals, Cable TV, Hospitality and Life Insurance.

Mr. Akshay Raheja

Director

Education

B. Com, MBA from Columbia Business School, New York

Professional experience

Holds Directorship in diversified industries including Real Estate, Cable TV, Retailing and General Insurance.

Mr. Viren Raheja

Director

Education

B.Com, MBA from London Business School, Completed all 3 levels leading to the CFA charter

Professional experience

Holds Directorship in diversified industries including Real Estate, Cable TV, Retailing and Software Development.

Mr. Jagdishkumar G. Pillai

Managing Director & CEO

Education

Commerce Graduate and Member of the Institute of Chartered Accountants

Professional experience

He has more than 27 years of professional experience, having worked in numerous leadership positions with bluechip companies like ITC Ltd, STAR TV and Reliance Industries Ltd. Mr. Jagdish Kumar is an experienced media professional having worked in various roles within STAR TV (a Newscorp venture) both in India and the headquarters in Hong Kong. During his stint with STAR TV he has worked on several aspects of the TV Broadcast business including Content, Distribution, Marketing, Broadcast Infrastructure, Digital Platforms, Business Development and Finance. In his last assignment before taking his current role he was part of the Reliance Jio project team as President-Media & Entertainment at Reliance Industries Ltd.

Mr. Vinayak Aggarwal

Director

Education

B.Com, ICWA, Diploma from IIM, Ahmedabad

Professional experience

Varied experience in Project Appraisal, Investments, Media & Life Insurance.

Mr. Sasha Mirchandani

Independent Director

Education

Business Administration from Strayer University and MMDP program at IIM, Ahmedabad

Professional experience

Varied experience in venture capital, consumer electronics and outsourcing.

Mr. Sridhar Gorthi

Independent Director

Education

B.A. L.L.B (Hons)

Professional experience

Involved in legal advisory services to various multinational and domestic corporations on restructuring, debt finance, joint ventures, acquisitions and mergers.

Mr. Devendra Shrotri

Independent Director

Education

MBA degree from Columbia Business School, New York, a Masters in Computer Science & Engineering from University of South Carolina, Columbia and a Bachelors of Electrical Engineering from the Jabalpur Engineering College, India.

Professional experience

Varied experience in the fields of management, finance, consulting, outsourcing and technology.

Mr. Biswajit Subramanian

Director

Education

B.Tech from IIT, Masters Degree in Electrical Engineering from the University of California and MBA from Wharton School of Pennsylvania.

Professional experience

Before establishing Providence Equity Advisors, New Delhi office in 2007, Mr. Subramanian was based in Providence Equity's London office. Prior to joining Providence in 2000, Mr. Subramanian was a Vice President at Morgan Stanley, where he was part of the European telecommunications investment banking team. Prior to Morgan Stanley, Mr. Subramanian worked at Credit Suisse First Boston, McKinsey & Company and Intel.

HATHWAY CABLE & DATACOM LIMITED

CIN: L64204MH1959PLC011421

'Rahejas', 4th Floor, Corner of Main Avenue & V.P. Road,
Santacruz (West), Mumbai – 400054

Tel: 91-22-26001306, Fax: 91-22-26001307

E-mail: info@hathway.net, Website: www.hathway.com

NOTICE

NOTICE is hereby given that the Fifty Fourth Annual General Meeting of the Company will be held on Tuesday, August 5, 2014 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:

- To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Profit and Loss Account and Cash Flow Statement for the year ended on that date together with the Reports of Directors' and Auditors' thereon.
- To appoint a Director in place of Mr. Rajan Raheja, (DIN 00037480) who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. Akshay Raheja, (DIN 00288397) who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
- To appoint M/s. G. M. Kapadia & Co, Chartered Accountants, (Registration No. 104767W) as the Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

- 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 other applicable provisions, if any, of the Companies Act, 2013, a new set of Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in total exclusion, substitution and superseding of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary be and are hereby authorised to sign, verify, execute and file all necessary forms and documents with any Governmental Authority including but not limited to, the Registrar of Companies, Maharashtra, at Mumbai and such other authorities as may be required from time to time and to

do all such acts, deeds, matters and things necessary or expedient to give effect to resolution.”

- 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 149, Section 150 and Section 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, relevant provisions of the Listing Agreement, and as per notice received under Section 160 of the Companies Act, 2013 from a shareholder along with the requisite deposit proposing candidature, Mr. Brahma Vasudevan, (DIN 00242016) be and is hereby appointed as an Independent Director of the Company to hold office upto August 4, 2019 and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary, be and are hereby authorised to file appropriate E-Form with the Registrar of Companies, Maharashtra, Mumbai, as also for intimating the same to any other authority as may be required.”

- 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 149, Section 150 and Section 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, relevant provisions of the Listing Agreement, and as per notice received under Section 160 of the Companies Act, 2013 from a shareholder along with the requisite deposit proposing candidature, Mr. Sridhar Gorthi, (DIN 00035824) be and is hereby appointed as an Independent Director of the Company to hold office upto August 4, 2019 and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary, be and are hereby authorised to file appropriate E-Form with the Registrar of Companies, Maharashtra, Mumbai, as also for intimating the same to any other authority as may be required.”

- 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 149, Section 150 and Section 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, relevant provisions of the Listing Agreement, and as per notice received under Section 160 of the Companies Act, 2013 from a shareholder along with the requisite deposit proposing candidature, Mr. Sasha Mirchandani, (DIN 01179921) be and is hereby appointed as an Independent Director of the Company to hold office upto August 4, 2019 and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary, be and are hereby authorised to file appropriate E-Form with the Registrar of Companies, Maharashtra, Mumbai, as also for intimating the same to any other authority as may be required.”

9. 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 149, Section 150 and Section 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, relevant provisions of the Listing Agreement, and as per notice received under Section 160 of the Companies Act, 2013 from a shareholder along with the requisite deposit proposing candidature, Mr. Devendra Shrotri, (DIN 02780296) be and is hereby appointed as an Independent Director of the Company to hold office upto August 4, 2019 and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary, be and are hereby authorised to file appropriate E-Form with the Registrar of Companies, Maharashtra, Mumbai, as also for intimating the same to any other authority as may be required.”

10. 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 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force and as per the recommendation of the Audit Committee, the Cost Auditor, Dr. Ashok Kumar Agarwal & Co., member of the Institute of Cost Accountants of India having Membership No. M-5691 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration of ₹ 5,00,000/- (Rupees Five Lacs only) plus out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised 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

Place: Mumbai

Date: June 24, 2014 **Company Secretary & Compliance Officer**

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, etc, 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 are requested to send a duly certified true copy of the Board Resolution authorising their representative to attend and vote at the Meeting.
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 Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
6. The Register of Directors’ and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
7. The Register of the Members and the Share Transfer Books of the Company will remain closed from Friday, August 1, 2014 to Tuesday, August 5, 2014 (Both days inclusive).

8. The 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 appointment/re-appointment, as required under Clause 49 of the Listing Agreement are annexed hereto. The Directors have furnished the requisite consents / declarations for their appointment / reappointment.
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.
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, are 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 the Meeting.
13. Members who hold shares in dematerialised 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 dematerialised 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.

The instructions for members for voting electronically are as under:-

- (A) In case of members receiving e-mail:
- i) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
 - ii) Log on to the e-voting website www.evotingindia.com.
 - iii) Click on "Shareholders" tab to cast your votes.
 - iv) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"

- v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
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.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: <0123456789> in the PAN field.

Please enter any one of the details in order to login.

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ %& *). 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. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- viii) Click on the relevant EVSN on which you choose to vote.
- ix) 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.

- x) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
 - xi) 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.
 - xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the Company/ depository participant(s) or requesting physical copy]:
- Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.
- (C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- (D) The voting period begins from 10.00 am from July 30, 2014 and ends on 5.00 pm on August 1, 2014. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of July 28, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (E) 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 July 28, 2014.

Mr. Himanshu Kamdar, Practising 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 on or after the AGM of the Company. The Results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website www.hathway.com and will be communicated to the Stock Exchanges on which the Company’s equity shares are listed.

BY ORDER OF THE BOARD

AJAY SINGH

Place: Mumbai

Date: June 24, 2014 **Company Secretary & Compliance Officer**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2014:

Item No. 5

In view of the recent notification of Companies Act, 2013 and rules there under in place of Companies Act, 1956, it is necessary to adopt new set of Articles of Association giving effect to the provisions and rules framed therein.

Various clauses in the existing Articles of Association necessitate amendment and/or alteration in order to reflect inter-se, various provisions and rules framed therein.

As per the provisions of Section 14 of the Companies Act, 2013, alteration in Articles of Association of the Company will required to be approved by the shareholders of the Company by way of Special Resolution and hence placed for seeking approval of shareholders.

Copy of existing and amended Articles of Association of the Company will be available for inspection by members during 11.00 a.m to 2.00 p.m. at the Registered Office of the Company during Monday to Friday till the date of Annual General Meeting.

Your Board recommends this resolution to seek your approval for amendment for adoption of new set of Articles of Association.

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 in the above resolutions financially or otherwise.

Item No. 6, 7, 8 & 9

Pursuant to Clause 49 of the Listing Agreement, Mr. Brahma Vasudevan, Mr. Sridhar Gorthi, Mr. Sasha Mirchandani and Mr. Devendra Shrotri are holding the office of Directors categorised as Independent Directors of the Company. As per the provisions of Section 149(4) of the Companies Act, 2013, it would be necessary to have atleast one third of the total number of directors as independent directors. The provisions of sub Section 10 of Section 149 further stipulates that an independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall not be liable to retire by rotation.

It is proposed to appoint all the present Independent Directors viz. Mr. Brahma Vasudevan, Mr. Sridhar Gorthi, Mr. Sasha Mirchandani and Mr. Devendra Shrotri as Independent Directors for a period of five years from the date of Annual General Meeting.

The Nomination and Remuneration Committee has recommended and the Board of Directors of the Company has formed an opinion that all the Independent Directors fulfils the conditions specified in the Companies Act, 2013 for such an appointment.

Justification under Section 150(2) of the Companies Act, 2013 for considering the appointment of each of the independent directors is as under:

Mr. Brahma Vasudevan aged 46 years is MBA from Harvard Business School and graduated with First Class Honours in Aeronautical Engineering from Imperial College, London. He has very long experience in the field of Private Equity Fund Management and he has been associated with the Company since September 2009.

Mr. Sridhar Gorthi aged 42 years is Arts Graduate and LL. B. (Hons) from Bangalore University. He is engaged in the field of legal consultancy having experience of more than 17 years in legal advisory, restructuring, debt finance, joint ventures, acquisition and merger. He has been associated with the Company since September 2009.

Mr. Sasha Mirchandani aged 42 years has a degree of Business Administration from University of Virginia. He has varied experience in the field of telecom, outsourcing, investment and advisory services. He has been associated with the Company since September 2009.

Mr. Devendra Shrotri aged 42 years is MBA from Columbia Business School, New York, Masters in Computer Science & Engineering from University of South Carolina and Bachelors of Electrical Engineering from Jabalpur Engineering College. He has experience in the field of management, finance, consulting, outsourcing and technology. He has been associated with the Company since September 2009.

None of the Independent Directors hold any shares in the Company.

As per the provisions of sub Section (7) of Section 149 of the Companies Act, 2013, the Board of Directors of the Company has received declaration from all the Independent Directors that they meet with the criteria of independence as provided in sub Section (6) of Section 149 of the Companies Act, 2013. The Company has also received from all the proposed appointees (i) consent in writing to act as a director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR 8 in terms of Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they have not been disqualified under sub Section (2) of Section 164 of the Companies Act, 2013.

A copy of the draft letters for the appointment of all the proposed appointees as Independent Director setting out

the terms and conditions is available for inspection by the members at the Company's Registered Office during the working hours on all working days upto the date of AGM.

Independent Director shall not be entitled to any stock option and may receive remuneration by way of fees provided under sub-section (5) of Section 197 of the Companies Act, 2013, reimbursement of expenses for participation in the Board and other meetings and profit related commission, if any, as may be approved by the members.

As per the provisions Section 160 of the Companies Act, 2013, the Company has received notice under Section 160 of the said Act from shareholders proposing the candidature, for the office of a Director of the Company along with the deposit of ₹ 1,00,000/- for each of the Directors.

Mr. Brahma Vasudevan, Mr. Sridhar Gorthi, Mr. Sasha Mirchandani and Mr. Devendra Shrotri are deemed to be interested or concerned in their respective resolution for appointment. Apart from the said directors, 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 in the above resolutions financially or otherwise.

Your Directors recommend the resolutions as mentioned in Item Nos. 6 to 9 of the Notice for your approval.

Item No. 10

The Board of the Directors of the Company as per the recommendation of the Audit Committee, has approved the appointment of Dr. Ashok Kumar Agarwal & Co., Cost Accountant, as Cost Auditor, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 and also approved the remuneration of ₹ 5,00,000/- (Rupees Five Lacs 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 Auditor requires to be ratified by the shareholders of the Company.

Accordingly, it is proposed to sought consent of the members by passing an Ordinary Resolution as set out at Item No. 10 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2015.

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 in the above resolution financially or otherwise.

BY ORDER OF THE BOARD

Place: Mumbai

Date: June 24, 2014

AJAY SINGH

Company Secretary & Compliance Officer

Details of Directors seeking Appointment/Re-appointment at the forthcoming Annual General Meeting (pursuant to Clause 49 of the Listing Agreement)

Sr. No.	Name	Nature of appointment	Date of Birth	Date of Appointment on the Board	Qualification & expertise	Experience	List of other Companies in which he holds Directorships as on 31/03/2014 *	Chairman/member of Committees of the Board of other Companies in which he is director as on 31/03/2014 **	Equity Shares held in the Company
1	Mr. Rajan Raheja	Re-appointment	17-06-1953	07-09-2000	B.Com	Director in diversified industries including Real Estate, Batteries, Building Materials, Petrochemicals, Cable TV, Hospitality and Life Insurance	<ol style="list-style-type: none"> EIH Associated Hotels Limited EIH Limited Exide Industries Limited ING Vysya Life Insurance Company Limited Juhu Beach Resorts Limited Prism Cement Limited Supreme Petrochem Limited 	<ol style="list-style-type: none"> Chairman of Equity Share Transfer Committee of Prism Cement Limited Member of Investors Grievance Committee in Supreme Petrochem Limited Member of Audit Committee in EIH Limited Member of Audit Committee in Juhu Beach Resorts Limited Member of Audit Committee in EIH Associated Hotels Limited 	N.A.
2	Mr. Akshay Raheja	Re-appointment	25-05-1982	07-09-2000	B. Com, MBA from Columbia Business School, New York	Director in diversified industries including Real Estate, Cable TV, Retailing and General Insurance	<ol style="list-style-type: none"> Asianet Satellite Communications Limited Raheja QBE General Insurance Company Limited Prism Cement Limited - Alternate Director 	<ol style="list-style-type: none"> Member of Audit Committee in Prism Cement Limited Member of Audit Committee in Raheja QBE General Insurance Co. Ltd 	24,282,600
3	Mr. Brahmaj Vasudevan	Appointment	16-10-1968	09-05-2011***	MBA from the Harvard Business School and graduated with first class honours in aeronautical engineering from Imperial College in London	Mr. Brahmaj founded Creator in 2011. He previously spent 11 years as a General Partner and Managing Director of ChrysCapital, a leading private equity firm focused on growth capital investments in India. He was part of the senior leadership team that grew assets under management from \$64 Million to \$2 Billion. Prior to joining ChrysCapital, Brahmaj was at ASTRO, a pay-TV operator in South East Asia, where he was involved in strategy, marketing and expansion into neighbouring countries.	Nil	Nil	Nil
4	Mr. Sridhar Gorthi	Appointment	31-07-1972	10-09-2009***	B. A., L.L.B (Hons) from the National Law School of India University, Bangalore	Involved in legal advisory services to various multinational and domestic corporations on restructuring, debt finance, joint ventures, acquisitions and mergers	<ol style="list-style-type: none"> Glenmark Pharmaceuticals Ltd Glenmark Generics Ltd 	<ol style="list-style-type: none"> Member of Audit Committee in Glenmark Pharmaceuticals Ltd Member of Audit Committee & Shareholders Investors Grievance Committee in Glenmark Generics Ltd 	Nil
5	Mr. Sasha Mirchandani	Appointment	26-02-1972	10-09-2009***	Business Administration from Strayer University and MIMDP program at IIM, Ahmedabad	Varied experience in venture capital, consumer electronics and outsourcing	<ol style="list-style-type: none"> Akasaka Electronics Limited Mirc Electronics Ltd Gulifta Securities Ltd 	<ol style="list-style-type: none"> Member of Audit Committee in Akasaka Electronics Limited 	Nil
6	Mr. Devendra Shrotri	Appointment	29-05-1972	10-09-2009***	MBA degree from Columbia Business School, New York, a Masters in Computer Science & Engineering from University of South Carolina, Columbia and a Bachelors of Electrical Engineering from the Jabalpur Engineering College, India	Varied experience in the fields of management, finance, consulting, outsourcing and technology	Nil	Nil	Nil

Note:

*Private Companies and Foreign Companies are not included

** Audit Committee and Investors Grievance/Share Transfer Committee are considered

*** Appointed as Independent Directors by the Board at its meeting held on May 29, 2014 to hold office upto August 04, 2019

DIRECTORS' REPORT

Dear Members,

We hereby present the Fifty Fourth Annual Report to the Members together with the Audited Statement of Accounts for the Financial Year ended March 31, 2014.

FINANCIAL HIGHLIGHTS

(₹ In Crores)

Particulars	Consolidated		Standalone	
	2013-14	2012-13	2013-14	2012-13
Operating & Other Income	1,593.75	1,148.19	988.14	667.95
Earnings before interest, depreciation, amortisation & taxes	311.90	289.51	191.28	182.18
Interest	134.51	60.17	92.52	46.14
Depreciation & Amortisation	291.24	162.25	202.29	118.91
Impairment of Tangible / Intangible Assets	8.05	3.81	8.07	3.83
Exceptional Items	-	7.93	10.60	9.34
Minority Interest	(8.79)	24.94	-	-
Prior period expenses/ (income)	2.57	(0.14)	3.05	0.76
(Profit)/Loss Share of Associates	0.01	(0.08)	-	-
Amount transferred on change in stake in Subsidiaries/Joint Ventures	(20.81)	(2.97)	-	-
Excess/Short provision for taxation in earlier years	(0.02)	0.07	-	-
Provision for Taxation - Current Tax & Deferred Tax	16.25	17.83	-	-
Net Profit/(Loss)	(111.11)	15.70	(125.25)	3.20

Operational Overview:

During the year under review, the total income of your Company was ₹ 988.14 Crores on a standalone basis and ₹ 1,593.75 Crores on a consolidated basis as compared to the previous financial year's total income of ₹ 667.95 Crores on a standalone basis and ₹ 1,148.19 Crores on a consolidated basis. The net loss for the year under review, after taxation and exceptional items, stood at ₹ 125.25 Crores on a standalone basis and ₹ 111.11 Crores on a consolidated basis.

(i) Cable TV Operations

As per Media Partners Asia (MPA) estimates, CATV Services reaches about 156 Million homes in India and is the primary means for television distribution.

Digitalisation which was mandated by the Cable Television Network Regulation (Amendment) Act, 2011, contemplated a phased roll out of Digital Addressable System (DAS) which commenced in November 2012 and shall be completed by December 2014. Cable TV continued to be the primary means for distributing television services in a predominantly urban landscape and selected DAS and Non-DAS cities.

During the year under review, your Company along with its subsidiaries and joint venture companies rolled out DAS in 38 Phase II cities with effect from April 01, 2013.

Your Company reaches a subscriber universe of nearly 11.5 Million homes as on March 31, 2014. We have a pan India footprint that covers key Hindi speaking markets in the West, North, East and Central India. During the year, your Company further expanded the scope of its operations in West Bengal and Uttar Pradesh.

Our DAS services are supported by 23 digital head-ends and more than 16,000 kilometers of HFC networks. We have also implemented state of the art Conditional Access System (CAS), Oracle Billing and Revenue Management System (OBRM) and partnered with a premier outsourced Customer Care Centre service provider.

The Company is now well positioned to monetise its subscriber base under mandatory digitisation.

(ii) Broadband Services

Our Broadband reach is about 1.8 Million homes where we can offer our services. This makes us the largest Multi System Operator providing such services in the Country. We are a Category - A Internet Service Provider (ISP) and we cover both retail and corporate segments.

India has around 55.20 Million broadband subscribers as on December 31, 2013 (As per revised definition i.e. a customer having minimum speed of 512 kbps). Cable provides big potential for growth of broadband penetration in the country considering the cable universe of 106 Million CATV homes.

As of March 31, 2014, Hathway has over 4 Lacs broadband subscribers, which make us the largest MSO in the country having highest number of Broadband Subscribers, with an all India rank of being the 5th largest ISP Company in the country. With a high quality and high capacity HFC Network, Hathway is well placed to garner a larger share of the growing broadband market. Your Company successfully implemented DOCSIS 3.0 service in many cities for Broadband business and has received a good response to the same especially in

South Mumbai. At present, we are providing 50 Mbps speed to our Docsis 3.0. customers and have the capacity to provide higher speed in future.

Utilisation of IPO Proceeds

During the financial year 2009-10, your Company had successfully completed the Initial Public Offer of shares to the tune of ₹ 666 Crores, including ₹ 186 Crores as Offer for Sale. As regards the utilisation of the IPO proceeds, the Company had obtained members approval vide resolution passed by way of Postal Ballot on June 21, 2011 to authorise the Board of Directors of the Company to decide, alter, vary, revise and finalise the utilisation of IPO proceeds apart from the objects mentioned in the Prospectus. The details of utilisation of issue proceeds to the extent of ₹ 480 Crores as on March 31, 2014 were placed before the members of Audit Committee at the meeting dated May 29, 2014 and the same was taken on record by Board of Directors of the Company.

Dividend

In view of the accumulated losses, your directors express their inability to declare any dividend for the year under review.

Fixed Deposits

The Company has not accepted any deposits during the year, within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

Preferential Allotment

During the year under review there were two tranches of preferential allotments to promoters and foreign investors, pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable legal provisions, including but not limited to Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (ICDR Regulations).

Sr. No.	Date of Preferential Allotment	Name of Allottees	Category of the Allottee	Number of Equity Shares Allotted	Nominal Value per Equity share (₹)	Premium per Equity share (₹)	Total Value per Equity share (₹)	Issue Value (₹ In Crores)
I	21/08/2013	Hathway Investments Private Limited	Promoter Group Company	14,05,000	10/-	274/-	284/-	39.90
		P6 Aisa Holding Investments IV (Mauritius) Limited	Foreign Company – Public Category	38,70,000	10/-	274/-	284/-	109.91
	Total			52,75,000				149.81
II	30/09/2013	Steadview Capital Mauritius Limited	FII - Public Category	12,00,000	10/-	274/-	284/-	34.08
		LTR Focus Fund		8,01,000	10/-	274/-	284/-	22.75
		Massachusetts Institute of Technology SCM		15,20,000	10/-	274/-	284/-	43.16
	Total			35,21,000				99.99
	Grand Total			87,96,000				249.80

Directors

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Rajan Raheja and Mr. Akshay Raheja, Directors would retire by rotation at the ensuing Annual General Meeting. Being eligible, Mr. Rajan Raheja and Mr. Akshay Raheja have offered themselves for reappointment.

Pursuant to provisions of Section 149, Section 150, and Section 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Mr. Brahma Vasudevan, Mr. Sridhar Gorthi, Mr. Sasha Mirchandani and Mr. Devendra Shrotri are proposed to be appointed as Independent Directors to hold office upto August 4, 2019 and their term of appointment will not be liable to retirement by rotation.

A brief profile of the aforesaid Directors seeking appointment/reappointment at the ensuing Annual General Meeting forms part of this Directors' Report.

Personnel

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the particulars are given in the statement which forms part of this report. In terms of provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Directors' Report is being sent to all the shareholders of the Company excluding the aforesaid statement. The statement is available for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

Employees Stock Option Plan

The disclosures required to be made under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, are given in the Annexure to this report.

During the year under review, 29,700 options were exercised by the option holders. The net options outstanding under the Employees Stock Option Plan 2007 (Revised 2010) at the end of the year stood at 1,61,299 after lapse/forfeiture of 74,300 options.

Subsidiaries

The financial data of the subsidiaries has been furnished along with the statement pursuant to Section 212 of the Companies Act, 1956 forming part of the Annual Report. Further, pursuant to relevant accounting standards, the Company has presented the Consolidated Financial Statements which include the financial information relating to its subsidiaries and forms part of the Annual Report.

The Company shall provide the copy of the Annual report and other related information of its subsidiary companies as required under section 212 of the Companies Act, 1956 to the shareholders of the Company and the subsidiaries upon their written request. These documents will also be available for inspection at the Registered Office of the Company and Registered Offices of the respective Subsidiary Companies during the working hours up to the date of Annual General Meeting.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Considering the nature of operations of the Company, your Directors have nothing to state as regards the requirement of disclosures in terms of Section 217(1) (e) of the Companies Act, 1956, pertaining to the conservation of energy and technology absorption.

During the year under review, your Company has used foreign exchange amounting to ₹ 312.08 Crores as compared to the last year's expenditure of ₹ 395.08 Crores.

Your Company has earned Foreign Exchange Income of ₹ 52.49 Crores during the year under review as compared to the last year's Foreign Exchange Income of ₹ 6.44 Crores.

Directors' Responsibilities Statement

Your Directors in compliance of Section 217 (2AA) of the Companies Act, 1956 confirm that in the preparation of the annual accounts for the year ended March 31, 2014:

- the applicable accounting standards has been followed along with proper explanation relating to material departures, if any;
- the Company has selected such accounting policies and applied them consistently and made judgement 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 on March 31, 2014 and the loss of the Company for the year;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company has been prepared on a going concern basis.

Corporate Governance and Management Discussion and Analysis Report

A report on Corporate Governance along with a certificate from M/s. Rathi & Associates, Practicing Company Secretaries, regarding compliance of requirements of Corporate Governance pursuant to Clause 49 of the Listing Agreement with Stock Exchanges is annexed hereto and forms part of this report. The Management Discussion and Analysis Report on the operations of the Company as required under the Listing Agreement with the Stock Exchanges is also annexed hereto and forms part of this report.

Cost Auditors

Your Company has appointed Dr. Ashok Kumar Agarwal & Co., Cost Accountant as Cost Auditor under section 148 of the Companies Act, 2013 for Cost Audit for the financial year 2014-2015.

Statutory Auditors

M/s. G. M. Kapadia & Co, Chartered Accountants, the Statutory Auditors, shall retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The retiring Auditors have furnished certificate to the effect that their re-appointment, if made, would be in accordance with the limit prescribed under section 139 and section 141 of the Companies Act, 2013. Your Directors recommend their re-appointment.

Comments on Auditors' Report

Your auditors have made certain observations in the annexure to their report pertaining to location wise particulars of Access Devices (para (i)(a)) and the need to strengthen frequency and procedure for verification of assets (para (i)(b)). During the year, the Company has put in a new billing system in place which is at an advanced level of implementation wherein the location wise CPE (Customer Premise Equipment) will be tracked. The frequency and procedure of verification of the Distribution equipment is being increased and improved in the current year by our Internal Audit department which will include assets under the control of the local cable operators. Discrepancies have been dealt with in the accounts. However, the same is not expected to have any material impact.

The auditors have also commented on internal controls pertaining to strengthening the internal controls over documentation in certain areas and revenue recognition (para(iv)). In view of the Phase I and II of the digitisation having been implemented within a short interval, the documentation with respect to the agreement with the local cable operators and also identification/registration of the ultimate subscriber is under progress and is expected to be completed in the current year.

Acknowledgements

Your Directors take this opportunity to thank all the shareholders and lenders for their continued support. Your Directors also wish to place on record, the sincere appreciation to all the employees, franchisees, distributors and the vendors for their excellent contribution towards the progress of the Company.

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai
Date: May 29, 2014

CHAIRMAN

Annexure to the Directors Report

Disclosures pursuant to SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Summary of Status of Options

Hathway Employee Stock Option Plan 2007 (Revised 2010)

a)	Total number of options granted	10,45,500
b)	Pricing Formula	exercise price would be INR 110.20 and INR 157.30 per share
c)	Options vested during the year	8,800
d)	Options Exercised during the year	29,700
e)	Total number of shares arising as result of exercise of options during the year	29,700
f)	Options lapsed during the year	74,300
g)	Variations of terms of options	As per special resolution passed at the Annual General Meeting held on 28/09/2010
h)	Money realised by exercise of options	₹ 32,72,940/-
i)	Total no of options in force	161,299

(j) Employee wise details of the options granted during the financial year 2013-2014: None

(i) Senior Managerial Personnel: None of the Senior Management Personnel were granted options during the year.

(ii) No employee has been granted options exceeding 5% of the total issued and paid up equity capital at the time of grant of option.

(iii) None of the employees were granted options, during the year, equal to or exceeding 1% of the issued capital.

(k) Diluted Earnings per share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20 for Earning per share.

Kindly refer note no. 4.15 to the financial accounts

(l) Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed

The Company has calculated the employee compensation cost using the fair value of the stock options. Kindly refer note no. 4.07 to the financial accounts

(m) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.

The options are exercisable at ₹ 110.20 and ₹ 157.30 including a premium of ₹ 100.20 and ₹ 147.30 per equity share respectively.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Channels India Network Pvt. Ltd.	Vision India Network Pvt. Ltd.	Liberty Media Vision Pvt. Ltd.	Ideal Cables Pvt. Ltd.	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Bee Network & Communication Pvt. Ltd.
	Note						
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	April 20, 1995	April 07, 1998	April 07, 1998	April 07, 1998	April 07, 1998	April 07, 1998
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014						
	a) Number of Shares held	87,500	87,700	10,000	76,020	249,000	99,989
	b) Fully paid Shares Each of the face value of ₹	10	10	10	10	10	10
	c) Extent of Effective Holding	95.63%	100.00%	100.00%	100.00%	51.00%	100.00%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	(4.45)	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	(0.01)	(0.08)	(0.11)	(0.00)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(2.09)	(1.73)	(1.62)	(2.57)	Nil	(1.06)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Elite Cable Network Pvt. Ltd.	Binary Technology Transfers Pvt. Ltd.	Hathway Media Vision Pvt. Ltd.	UTN Cable Communication Pvt.Ltd.	ITV Interactive Media Pvt. Ltd.	Chennai Cable Vision Network Pvt. Ltd.
	Note						
				fka United Cable Network P.L.			
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	April 07, 1998	April 07, 1998	August 13, 1998	May 31, 1999	September 09, 1999	September 30, 1999
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014						
	a) Number of Shares held	48,000	1,000	65,040	375,500	8,250	136,800
	b) Fully paid Shares Each of the face value of ₹	10	100	10	10	100	10
	c) Extent of Effective Holding	80.00%	100.00%	100.00%	93.87%	100.00%	75.99%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	(0.00)	Nil	(2.16)	0.00	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.02)	(0.03)	Nil	(2.62)	Nil	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	(0.13)	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.07)	(1.60)	(1.43)	Nil	(0.49)	(1.65)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Universal Cabletel & Datacom Pvt. Ltd.	Win Cable and Datacom Pvt. Ltd.	Hathway Space Vision Cabletel Pvt. Ltd.	Hathway Software Developers Pvt.Ltd.	Hathway Nashik Cable Network Pvt. Ltd.	Hathway Cnet Pvt. Ltd.
	Note						
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	March 10, 2000	March 15, 2000	March 15, 2000	March 21, 2000	June 17, 2000	July 27, 2000
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014						
	a) Number of Shares held	1,000	200,000	10,020	268,000	45,300	100,000
	b) Fully paid Shares Each of the face value of ₹	100	10	10	10	10	10
	c) Extent of Effective Holding	100.00%	100.00%	100.00%	71.85%	90.06%	100.00%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	0.00	Nil	Nil	(1.35)	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	(1.21)	Nil	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	(0.00)	Nil	Nil	0.00	0.00
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.01)	(18.37)	(0.07)	Nil	(9.23)	(0.78)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway United Cables Pvt. Ltd.	Hathway Internet Satellite Pvt. Ltd.	Hathway Krishna Cable Network Pvt. Ltd.	Hathway Mysore Cable Network Pvt. Ltd.	Hathway Prime Cable & Datacom Pvt. Ltd.	Hathway Gwalior Cable & Datacom Pvt. Ltd.
	Note						
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	December 01, 2000	January 01, 2001	July 22, 2002	November 29, 2003	February 03, 2006	May 01, 2007
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014						
	a) Number of Shares held	10,000	10,000	5,235,000	523,100	229,500	10,000
	b) Fully paid Shares Each of the face value of ₹	10	10	10	10	10	10
	c) Extent of Effective Holding	100.00%	100.00%	97.40%	75.70%	51.00%	100.00%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	(1.66)	(0.93)	(0.01)	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	(8.79)	(1.35)	(0.51)	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(0.00)	(0.00)	Nil	Nil	Nil	0.01
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.03)	(1.48)	Nil	Nil	Nil	(0.49)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd.	Hathway Enjoy Cable Network Pvt. Ltd.	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.	Hathway Latur MCN Cable & Datacom Pvt. Ltd.	Hathway MCN Pvt. Ltd.	Hathway Sonali OM Crystal Cable Pvt Ltd
	Note						
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	March 01, 2008	June 07, 2007	May 01, 2007	January 15, 2008	June 01, 2007	January 01, 2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014						
	a) Number of Shares held	10,200	10,000	10,000	51,000	963,000	51,000
	b) Fully paid Shares Each of the face value of ₹	10	10	10	10	10	10
	c) Extent of Effective Holding	51.00%	100.00%	100.00%	51.00%	51.00%	51.00%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(0.40)	Nil	0.00	(1.09)	(1.09)	0.22
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.76)	(0.09)	(0.00)	(0.68)	(0.68)	80.32
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	(0.00)	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway ICE Television Pvt Ltd	Hathway Datacom Central Pvt. Ltd.	Hathway Rajesh Multichannel Pvt. Ltd.	Net 9 Online Hathway Pvt Ltd	GTPL Hathway Pvt. Ltd.	Hathway New Concept Cable & Datacom Pvt. Ltd.
	Note		4		6	6 & 7	
			(f.k.a. : Hathway Bhaskar Multinet Pvt Ltd)			(f.k.a. : Gujarat Telelink Pvt Ltd)	
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	October 15, 2007	December 31, 2007	October 01, 2007	March 01, 2008	October 12, 2007	September 01, 2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014						
	a) Number of Shares held	102,000	1,374,400	144,849	5,000	1,000,000	25,500
	b) Fully paid Shares Each of the face value of ₹	10	10	10	10	10	10
	c) Extent of Effective Holding	51.00%	100.00%	51.00%	50.00%	50.00%	51.00%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	(9.39)	(1.30)	0.07	8.14	(1.07)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	0.51	(5.33)	0.46	0.21	50.22	(2.84)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(0.34)	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Hathway Cable MCN Nanded Pvt. Ltd.	Hathway Palampur Cable Network Pvt. Ltd.	Hathway Mantra Cable Network Pvt. Ltd.	Hathway Dattatray Cable Network Pvt. Ltd.	Hathway Bhaskar CBN Multinet Pvt. Ltd.
	Note		5				1 & 2
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	September 01, 2008	June 17, 2008	April 01, 2008	August 30, 2007	May 13, 2009	July 01, 2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014						
	a) Number of Shares held	68,850	1,713,880	15,300	10,000	20,400	25,500
	b) Fully paid Shares Each of the face value of ₹	10	10	10	10	10	10
	c) Extent of Effective Holding	51.00%	51.00%	51.00%	100.00%	51.00%	51.00%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(1.49)	(0.20)	0.02	(1.44)	(0.29)	0.35
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	0.91	(0.90)	(0.12)	(0.02)	(1.84)	0.43
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Bhaskar CCN Multinet Pvt. Ltd.	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.	Hathway Bhawani Cabletel & Datacom Ltd.	Hathway Bhawani NDS Network Pvt. Ltd.	Hathway Bhawani Sai Network Pvt. Ltd.
	Note	1 & 2	1 & 2	1 & 2	4	8	8
		(f.k.a. Hathway Bhaskar Pagaria Multinet Pvt. Ltd.)	(f.k.a. CCN Entertainment (India) Pvt. Ltd.)				
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	July 01, 2008	July 01, 2008	September 29, 2011	August 31, 2009	October 13, 2010	November 30, 2011
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014						
a)	Number of Shares held	242,250	255,000	7,000	4,080,000	15,810	116
b)	Fully paid Shares Each of the face value of ₹	10	10	10	10	500	500
c)	Extent of Effective Holding	51.00%	51.00%	70.00%	51.00%	51.00%	0.51%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
a)	For the Financial Year of the Subsidiary aforesaid	0.11	0.17	(0.07)	(1.86)	(0.20)	(0.00)
b)	For the Previous financial years of the subsidiary since it becomes Subsidiary	0.38	0.23	(0.01)	0.54	(0.37)	(0.00)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
a)	For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
b)	For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
a)	Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
b)	Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c)	Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
d)	Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Kokan Crystal Network Pvt. Ltd.	GTPL Anjali Cable Network Pvt. Ltd	GTPL Solanki Cable Network Pvt. Ltd	GTPL Zigma Vision Pvt. Ltd	GTPL SK Network Pvt. Ltd	GTPL Video Badshah Pvt. Ltd
	Note		3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	November 01, 2011	February 03, 2009	July 02, 2008	February 20, 2009	December 01, 2008	August 04, 2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014		25.50%	25.50%	35.30%	25.50%	25.50%
	a) Number of Shares held	49,394	10,410	33,150	24,513	10,200	5,100
	b) Fully paid Shares Each of the face value of ₹	10	10	10	10	10	10
	c) Extent of Effective Holding	90.00%	25.50%	25.50%	35.30%	25.50%	25.50%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(0.02)	(0.12)	(0.06)	(0.08)	(0.03)	0.13
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.23)	0.14	0.17	(0.00)	0.10	0.90
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- 1 The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- 2 Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- 3 Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- 5 Held through subsidiary Hathway MCN Pvt. Ltd.
- 6 Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL Kutch Network Pvt Ltd	GTPL City Channel Pvt Ltd	GTPL SMC Network Pvt Ltd	GTPL Surat Telelink Pvt. Ltd	GTPL Vidarbha Tele Link Pvt. Ltd	GTPL Space City Pvt Ltd
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	January 23, 2009	July 31, 2008	January 22, 2009	January 23, 2009	September 01, 2009	April 13, 2009
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014	25.50%	25.50%	25.50%	25.50%	25.61%	25.50%
	a) Number of Shares held	305,100	5,100	5,100	5,100	10,455	10,200
	b) Fully paid Shares Each of the face value of ₹	10	10	10	10	10	10
	c) Extent of Effective Holding	49.21%	25.50%	25.50%	25.50%	25.50%	25.50%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(0.04)	(0.00)	0.01	(0.20)	0.21	0.04
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	0.03	(0.00)	0.12	0.33	(1.55)	(0.00)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- 1 The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- 2 Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- 3 Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- 5 Held through subsidiary Hathway MCN Pvt. Ltd.
- 6 Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL Vision Services Pvt Ltd	GTPL Jai Mataji Network Pvt. Ltd	GTPL Narmada Cyberzone Pvt Ltd	GTPL Shiv Shakti Network Pvt. Ltd	GTPL Link Network Pvt Ltd	GTPL VVC Network Pvt Ltd
	Note	3 & 7	3 & 6 & 7	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	October 01, 2009	August 01, 2009	October 01, 2009	April 01, 2009	April 15, 2009	April 15, 2009
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014	31.75%	25.00%	30.00%	25.50%	25.50%	25.50%
	a) Number of Shares held	129,593	10,000	679,871	5,100	102,000	102,000
	b) Fully paid Shares Each of the face value of ₹	10	10	10	10	10	10
	c) Extent of Effective Holding	31.75%	25.00%	30.00%	25.50%	25.50%	25.50%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(0.11)	(0.19)	(0.02)	(0.00)	(0.08)	(0.10)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	1.26	0.25	0.15	(0.00)	(0.20)	(0.36)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- 1 The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- 2 Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- 3 Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- 5 Held through subsidiary Hathway MCN Pvt. Ltd.
- 6 Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL Blue Bell Network Pvt. Ltd	GTPL Parshwa Cable Network Pvt Ltd	GTPL Insight Channel Network Pvt. Ltd	GTPL Kolkata Cable & Broadband Pariseva Ltd.	GTPL Dahod Television Network Pvt. Ltd.	GTPL Jay Shantoshima Network Pvt. Ltd.
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	October 01, 2009	October 01, 2009	January 01, 2010	June 30, 2010	August 01, 2010	March 31, 2011
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014	46.00%	28.66%	37.23%	25.50%	25.50%	25.50%
	a) Number of Shares held	9,200	5,732	30,000	424,754	10,200	51,000
	b) Fully paid Shares Each of the face value of ₹	10	10	10	100	10	10
	c) Extent of Effective Holding	46.00%	28.66%	37.23%	25.50%	25.50%	25.50%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(0.20)	(0.10)	0.03	(0.43)	0.00	0.00
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.37)	0.32	0.08	0.78	0.03	0.01
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL Sorath Telelink Pvt. Ltd.	Gujarat Telelink East Africa Ltd.	GTPL Shiv Network Pvt. Ltd.	GTPL Sharda Cable Network Pvt. Ltd.	GTPL Ahmedabad Cable Network Pvt. Ltd.	DI GTPL Cabnet Pvt. Ltd.
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 6 & 7
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	April 01, 2010	June 01, 2010	October 1, 2010	November 02, 2011	June 01, 2011	November 01, 2011
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014	25.50%	25.50%	25.50%	25.50%	25.50%	13.00%
	a) Number of Shares held	51,000	Nil	10,200	5,100	10,200	31,200
	b) Fully paid Shares Each of the face value of ₹	10		10	10	10	10
	c) Extent of Effective Holding	25.50%	25.50%	25.50%	25.50%	25.50%	13.00%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	0.09	Nil	0.02	(0.04)	(0.02)	0.65
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.04)	Nil	0.03	(0.00)	(0.04)	1.18
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note:

- 1 The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- 2 Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- 3 Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- 5 Held through subsidiary Hathway MCN Pvt. Ltd.
- 6 Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL V & S Cable Pvt. Ltd.	GTPL Video Vision Pvt. Ltd.
	Note	3 & 7	3 & 7
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2014	March 31, 2014
2	Date from which it becomes subsidiary	January 17, 2012	October 01, 2012
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on March 31, 2014	25.50%	25.50%
	a) Number of Shares held	28,254	5,100
	b) Fully paid Shares Each of the face value of ₹	100	10
	c) Extent of Effective Holding	25.50%	25.50%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c		
	a) For the Financial Year of the Subsidiary aforesaid	(0.65)	(0.12)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(0.40)	0.12
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c		
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and March 31, 2014	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and March 31, 2014		
	a) Fixed Asset	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable

Note:

- 1 The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- 2 Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- 3 Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- 5 Held through subsidiary Hathway MCN Pvt. Ltd.
- 6 Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO GENERAL CIRCULAR NO. 5/12/2007-CL-III DATED 08/02/2011 RELATING TO INFORMATION OF SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Channels India Network Pvt. Ltd.	Vision India Network Pvt. Ltd.	Liberty Media Vision Pvt. Ltd.	Ideal Cables Pvt. Ltd.	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Bee Network & Communication Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.09	0.09	0.01	0.08	0.49	0.10
2	Reserves	(1.41)	(2.15)	(2.24)	(0.85)	1.43	(1.44)
3	Total Liabilities	0.02	0.01	0.13	0.02	6.02	-
4	Total Assets	0.02	0.01	0.13	0.02	6.02	-
5	Investments	-	-	-	-	-	-
6	Turnover	-	-	0.09	-	-	-
7	Profit / (Loss) Before Taxation	-	-	(0.01)	(0.08)	(1.77)	-
8	Profit / (Loss) After Taxation	-	-	(0.01)	(0.08)	(0.78)	-
9	Provision for Taxation	-	-	-	-	(0.99)	-

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Elite Cables Network Pvt. Ltd.	Binary Technology Transfers Pvt. Ltd.	Hathway Media Vision Pvt. Ltd.	UTN Cable Communication Pvt. Ltd.	ITV Interactive Media Pvt. Ltd.	Chennai Cable Vision Network Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.06	0.01	0.07	0.40	0.08	0.18
2	Reserves	(0.08)	(1.63)	0.79	(3.32)	(0.50)	(2.14)
3	Total Liabilities	-	-	6.12	3.65	0.03	0.03
4	Total Assets	-	-	6.12	3.65	0.03	0.03
5	Investments	-	-	2.46	-	-	-
6	Turnover	-	-	7.98	5.01	-	-
7	Profit / (Loss) Before Taxation	-	-	(0.09)	(2.31)	-	-
8	Profit / (Loss) After Taxation	-	-	(0.13)	(2.30)	-	-
9	Provision for Taxation	-	-	(0.04)	-	-	-

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO GENERAL CIRCULAR NO. 5/12/2007-CL-III DATED 08/02/2011 RELATING TO INFORMATION OF SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Universal Cabletel and Datacom Pvt. Ltd.	Win Cable and Datacom Pvt. Ltd.	Hathway Space Vision Cabletel Pvt. Ltd.	Hathway Software Developers Pvt.Ltd.	Hathway Nashik Cable Network Pvt. Ltd.	Hathway Cnet Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.01	0.21	0.01	0.37	0.05	0.10
2	Reserves	(0.01)	(19.98)	(1.05)	(1.77)	(9.79)	(0.53)
3	Total Liabilities	0.02	0.60	-	5.18	0.72	0.02
4	Total Assets	0.02	0.60	-	5.18	0.72	0.02
5	Investments	-	-	-	-	-	-
6	Turnover	-	-	-	4.40	-	-
7	Profit / (Loss) Before Taxation	-	-	-	(1.86)	-	-
8	Profit / (Loss) After Taxation	-	-	-	(1.88)	-	-
9	Provision for Taxation	-	-	-	0.02	-	-

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway United Cables Pvt. Ltd.	Hathway Internet Satellite Pvt. Ltd.	Hathway Krishna Cable Pvt. Ltd.	Hathway Mysore Cable Network Pvt. Ltd.	Hathway Prime Cable & Datacom Pvt. Ltd.	Hathway Gwalior Cable & Datacom Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.01	0.01	5.38	0.69	0.45	0.01
2	Reserves	(0.03)	(1.62)	(0.18)	(0.34)	(0.74)	(0.67)
3	Total Liabilities	0.17	-	9.94	5.57	0.77	0.10
4	Total Assets	0.17	-	9.94	5.57	0.77	0.10
5	Investments	-	-	-	-	-	-
6	Turnover	-	-	8.43	4.28	0.12	0.01
7	Profit / (Loss) Before Taxation	-	-	(1.76)	(1.23)	(0.02)	0.01
8	Profit / (Loss) After Taxation	-	-	(1.70)	(1.23)	(0.02)	0.01
9	Provision for Taxation	-	-	(0.06)	-	-	-

Note:

- The Company has consolidated the provisional accounts, Refer Note No. 4.02(B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2014.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. (f.k.a. : Hathway Bhaskar Multinet Pvt. Ltd.).
- Held through subsidiary GTPL Hathway Pvt. Ltd. (f.k.a. : Gujarat Telelink Pvt. Ltd.).
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- In respect of consolidated entities, financial results up December 31, 2013 have been considered.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.

STATEMENT PURSUANT TO GENERAL CIRCULAR NO. 5/12/2007-CL-III DATED 08/02/2011 RELATING TO INFORMATION OF SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd.	Hathway Enjoy Cable Network Pvt. Ltd.	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.	Hathway Kokan Crystal Cable Network Pvt. Ltd.	Hathway Latur MCN Cable & Datacom Pvt. Ltd.	Hathway MCN Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.02	0.01	0.01	0.05	0.10	1.81
2	Reserves	(0.52)	-	-	3.38	(0.71)	6.07
3	Total Liabilities	1.79	0.03	0.01	4.57	2.20	17.04
4	Total Assets	1.79	0.03	0.01	4.57	2.20	17.04
5	Investments	-	-	-	-	-	0.41
6	Turnover	1.90	-	-	2.75	2.01	17.52
7	Profit / (Loss) Before Taxation	(0.79)	-	-	(0.02)	(0.30)	(2.61)
8	Profit / (Loss) After Taxation	(0.79)	-	-	(0.02)	(0.28)	(2.14)
9	Provision for Taxation	-	-	-	-	(0.02)	(0.47)

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Sonali OM Crystal Cable Pvt Ltd	Hathway ICE Television Pvt Ltd	Hathway Datacom Central Pvt. Ltd.	Hathway Rajesh Multichannel Pvt. Ltd.	Net 9 Online Hathway Pvt Ltd	Hathway New Concept Cable & Datacom Pvt. Ltd.
				Fka : Hathway Bhaskar Multinet Pvt. Ltd.			
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note			4		6	
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.10	0.20	1.43	0.28	0.01	0.05
2	Reserves	2.07	(0.41)	27.57	1.72	0.65	6.28
3	Total Liabilities	12.97	1.66	56.70	10.97	1.77	17.66
4	Total Assets	12.97	1.66	56.70	10.97	1.77	17.66
5	Investments	-	-	10.91	0.01	-	0.01
6	Turnover	33.20	-	49.36	13.48	4.01	6.06
7	Profit / (Loss) Before Taxation	1.22	(0.66)	(9.39)	(2.66)	0.16	(2.12)
8	Profit / (Loss) After Taxation	0.44	(0.66)	(9.39)	(2.54)	0.13	(2.10)
9	Provision for Taxation	0.79	-	-	(0.12)	0.03	(0.02)

Note:

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**STATEMENT PURSUANT TO GENERAL CIRCULAR NO. 5/12/2007-CL-III DATED 08/02/2011 RELATING TO
INFORMATION OF SUBSIDIARY COMPANIES**

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Hathway Cable MCN Nanded Pvt. Ltd.	Hathway Palampur Cable Network Pvt. Ltd.	Hathway Mantra Cable & Datacom Pvt. Ltd.	Hathway Dattatray Cable Network Pvt. Ltd.	Hathway Bhaskar CBN Multinet Pvt. Ltd. - Bhilai
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note		5				1 & 2
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.14	3.36	0.03	0.01	0.04	0.05
2	Reserves	52.46	(2.74)	1.07	(1.45)	3.84	2.39
3	Total Liabilities	60.90	2.93	1.51	7.18	9.93	5.55
4	Total Assets	60.90	2.93	1.51	7.18	9.93	5.55
5	Investments	-	-	-	-	-	-
6	Turnover	12.45	1.82	1.22	11.81	3.70	6.04
7	Profit / (Loss) Before Taxation	(4.23)	(0.54)	0.05	(1.44)	(0.82)	0.98
8	Profit / (Loss) After Taxation	(2.92)	(0.39)	0.03	(1.44)	(0.56)	0.69
9	Provision for Taxation	(1.31)	(0.15)	0.02	-	(0.25)	0.30

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway Bhaskar CCN Multinet Pvt. Ltd. - Raipur	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd. - Bilaspur	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd. - Korba	Hathway Bhawani Cabletel & Datacom Ltd.	Hathway Bhawani NDS Network Pvt. Ltd.	Hathway Bhawani Sai Network Pvt. Ltd.
		Fka : Hathway Bhaskar Pagariya Multinet Pvt Ltd.	Fka : CCN Entertainment (India) Pvt Ltd.				
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note	1 & 2	1 & 2	1 & 2	4	8	8
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.48	0.50	0.01	8.00	1.55	0.58
2	Reserves	0.04	1.06	(0.47)	(6.25)	(1.12)	-
3	Total Liabilities	7.69	4.52	1.92	12.70	0.89	0.58
4	Total Assets	7.69	4.52	1.92	12.70	0.89	0.58
5	Investments	-	-	-	0.81	-	-
6	Turnover	6.26	3.72	1.35	15.48	0.99	-
7	Profit / (Loss) Before Taxation	0.32	0.46	(0.10)	(3.69)	(0.39)	-
8	Profit / (Loss) After Taxation	0.22	0.32	(0.10)	(3.65)	(0.39)	-
9	Provision for Taxation	0.10	0.14	-	(0.04)	-	-

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STATEMENT PURSUANT TO GENERAL CIRCULAR NO. 5/12/2007-CL-III DATED 08/02/2011 RELATING TO INFORMATION OF SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	Hathway SS Cable & Datacom LLP	GTPL Hathway Pvt. Ltd.	GTPL Anjali Cable Network Pvt. Ltd.	GTPL Solanki Cable Network Pvt. Ltd.	GTPL Zigma Vision Pvt. Ltd.	GTPL SK Network Pvt. Ltd.
			Fka : Gujarat Telelink Pvt Ltd.				
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note		6 & 7	3 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	3.26	1.97	0.02	0.07	0.03	0.02
2	Reserves	(1.02)	289.57	2.56	0.31	0.13	1.18
3	Total Liabilities	3.55	832.10	3.27	1.84	0.79	2.34
4	Total Assets	3.55	832.10	3.27	1.84	0.79	2.34
5	Investments	-	101.94	-	-	-	-
6	Turnover	0.68	335.88	1.63	1.70	0.66	1.90
7	Profit / (Loss) Before Taxation	(1.35)	30.34	(0.20)	(0.07)	(0.17)	0.02
8	Profit / (Loss) After Taxation	(1.28)	16.28	(0.25)	(0.12)	(0.17)	(0.07)
9	Provision for Taxation	(0.07)	14.07	0.04	0.04	-	0.09

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL Video Badshah Pvt. Ltd.	GTPL Kutch Network Pvt. Ltd.	GTPL City Channel Pvt. Ltd.	GTPL SMC Network Pvt. Ltd.	GTPL Surat Telelink Pvt. Ltd.	GTPL Vidarbha Telelink Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.01	0.31	0.01	0.01	0.01	0.02
2	Reserves	2.06	0.05	(0.01)	0.25	0.38	(3.05)
3	Total Liabilities	3.20	1.71	0.01	0.42	6.61	4.25
4	Total Assets	3.20	1.71	0.01	0.42	6.61	4.25
5	Investments	0.13	-	-	-	-	-
6	Turnover	1.81	1.45	-	0.61	3.66	3.23
7	Profit / (Loss) Before Taxation	0.39	(0.05)	-	0.03	(0.42)	0.47
8	Profit / (Loss) After Taxation	0.27	(0.08)	-	0.01	(0.41)	0.42
9	Provision for Taxation	0.12	0.03	-	0.02	-	0.05

Note:

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STATEMENT PURSUANT TO GENERAL CIRCULAR NO. 5/12/2007-CL-III DATED 08/02/2011 RELATING TO INFORMATION OF SUBSIDIARY COMPANIES

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL Space City Pvt. Ltd.	GTPL Vision Services Pvt. Ltd.	GTPL Jai Mataji Network Pvt. Ltd.	GTPL Narmada Cyberzone Pvt. Ltd.	GTPL Shivshakti Network Pvt. Ltd.	GTPL Link Network Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note	3 & 7	3 & 7	3 & 6 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.02	0.20	0.02	1.13	0.01	0.20
2	Reserves	1.95	20.47	1.24	1.04	-	3.64
3	Total Liabilities	2.54	29.48	4.68	3.18	0.01	4.76
4	Total Assets	2.54	29.48	4.68	3.18	0.01	4.76
5	Investments	-	-	-	-	-	-
6	Turnover	0.42	10.60	1.51	3.22	-	1.98
7	Profit / (Loss) Before Taxation	0.07	0.18	(0.38)	(0.08)	-	(0.17)
8	Profit / (Loss) After Taxation	0.09	(0.22)	(0.37)	(0.04)	-	(0.17)
9	Provision for Taxation	(0.02)	0.40	0.01	(0.04)	-	-

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL VVC Network Pvt. Ltd.	GTPL Blue Bell Network Pvt. Ltd.	GTPL Parshwa Cable Network Pvt. Ltd.	GTPL Insight Channel Network Pvt. Ltd.	GTPL Kolkata Cable & Broadband Pariseva Ltd.	GTPL Dahod Television Network Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.20	0.01	0.01	0.04	8.33	0.02
2	Reserves	1.36	(1.13)	0.50	0.87	15.29	0.83
3	Total Liabilities	2.59	0.92	2.00	1.28	156.90	1.58
4	Total Assets	2.59	0.92	2.00	1.28	156.90	1.58
5	Investments	-	-	-	-	-	-
6	Turnover	1.10	0.94	1.20	0.77	73.82	1.01
7	Profit / (Loss) Before Taxation	(0.20)	(0.40)	(0.27)	0.08	0.77	0.05
8	Profit / (Loss) After Taxation	(0.20)	(0.40)	(0.21)	0.05	(0.87)	0.01
9	Provision for Taxation	-	(0.01)	(0.05)	0.02	1.64	0.04

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(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL Jay Santoshima Network Pvt. Ltd.	GTPL Sorath Telelink Pvt. Ltd.	GTPL Shiv Network Pvt. Ltd.	GTPL Sharda Cable Network Pvt. Ltd.	GTPL Ahmedabad Cable Network Pvt. Ltd.	DL GTPL Cabnet Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 6 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	0.10	0.10	0.02	0.01	0.02	0.12
2	Reserves	2.05	1.69	0.30	(0.08)	1.25	7.67
3	Total Liabilities	2.66	2.61	0.45	0.13	2.05	27.18
4	Total Assets	2.66	2.61	0.45	0.13	2.05	27.18
5	Investments	-	-	-	-	-	0.16
6	Turnover	1.20	1.09	0.20	0.12	1.18	21.93
7	Profit / (Loss) Before Taxation	0.13	0.25	0.04	(0.08)	(0.12)	2.23
8	Profit / (Loss) After Taxation	0.01	0.17	0.03	(0.08)	(0.05)	1.30
9	Provision for Taxation	0.12	0.08	0.01	-	(0.07)	0.93

(₹ in Crores unless otherwise stated)

Sr. No.	Particulars	GTPL V & S Cable Pvt. Ltd.	GTPL Video Vision Pvt. Ltd.
	Financial Year ending on	March 31, 2014	March 31, 2014
	Note	3 & 7	3 & 7
	Currency	INR	INR
1	Share Capital	0.55	0.01
2	Reserves	(1.86)	-
3	Total Liabilities	3.41	1.08
4	Total Assets	3.41	1.08
5	Investments	-	-
6	Turnover	4.07	1.96
7	Profit / (Loss) Before Taxation	(1.31)	(0.29)
8	Profit / (Loss) After Taxation	(1.29)	(0.24)
9	Provision for Taxation	(0.02)	(0.05)

Note:

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MANAGEMENT DISCUSSION AND ANALYSIS

The Cable & Satellite (C&S) segment of the Media & Entertainment industry is at a point of inflection consequent to the satisfactory conclusion of mandatory digitisation in phases I and II. According to a report by FICCI-KPMG (2014), the number of TV households in India increased to 161 Million in 2013. The number of C&S subscribers increased by 9 Million in 2013, to reach 139 Million representing 86% of TV households in the country. This percentage is expected to grow to 95% of the expanded base of 181 Million by 2018.

Hathway currently reaches 11.5 Million subscribers of the total C&S subscriber base.

Given the Indian demographics, the internet market is still underpenetrated at 17 per cent. While it took a decade for the country to grow its internet user base from 10 Million users to 100 Million, it took only three years to double that number to 200 Million.

As Multi System Operator (MSOs), we have a strategic presence in both the digital cable and broadband service spaces, across key regions in the country. The future potential in both these segments presents exciting opportunities for growth and we are well positioned to capitalise on the same to significantly increase our presence in cable and broadband services.

Digital Cable

Industry overview

A phased move towards Digital Addressable System (DAS) was mandated by the Government of India in 2012. However, actual implementation was completed for Phase I and Phase II cities only in 2014. In these 2 phases (Delhi, Mumbai and Kolkata) out of the top 4 metros and 38 other cities with

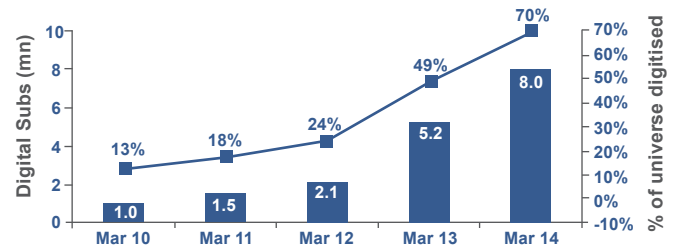
populations of over 1 Million transitioned to digitisation of TV signal transmission. The next two phases are slated to be completed in FY2015.

Industry stakeholders are convinced that digitisation is a step in the right direction and are, therefore, committed to its implementation.

Business Overview

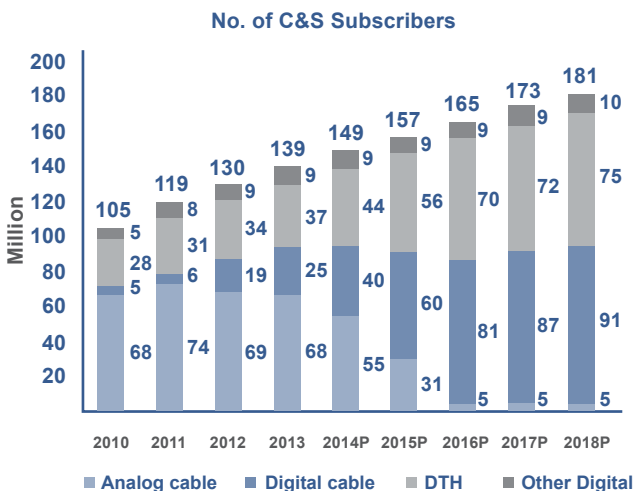
Hathway has an early mover advantage in the cable space and has positioned itself well to benefit from digitisation. Till FY2014, the Company has successfully converted over 8 Million subscribers to DAS. This represents nearly a third of the DAS subscriber base in Phase I and II for industry as a whole, thus making Hathway the single largest player in the roll out of DAS to date. Simultaneously, the universe of subscribers served by Hathway has grown by nearly a Million subscribers to 11.5 Million. This has been achieved on the back of a network that covers nearly 160 cities and towns across the country. Hathway's footprint is amongst the most widespread in the industry with a presence in almost all key markets.

7x growth in digital subscriber base in last few years and a significant portion of subscriber universe digitised



Average Revenue Per User (ARPU) have seen significant improvement due to the progressive roll out of subscriber billing on the basis of packages selected by them. Hathway relies upon world class digital Head-end infrastructure (Ericsson) at the heart of its network. The Company has implemented a robust Conditional Access System (CAS from NDS) which delivers securely encrypted signals to its subscribers. Company has also been in the forefront of implementing a robust SMS (Oracle Billing and Revenue Management System - OBRM) and relies upon outsourced call centre for customer services. Going forward, this SMS will facilitate a prepaid model. The increase in ARPU for Phase II is expected to come over the next year, with the deployment of channel packages across all cable customers.

The outlook, going ahead, is positive and the Company is well resourced for its roll out into Phase III and Phase IV of DAS. Hathway's pan India presence is supported by 23 digital headends and over 16000 kilometres of HFC network. The major proportion of CAPEX particularly with respect to the seeding of set-top boxes has already been incurred and the Company looks forward to reaping the benefits of these investments going forward.



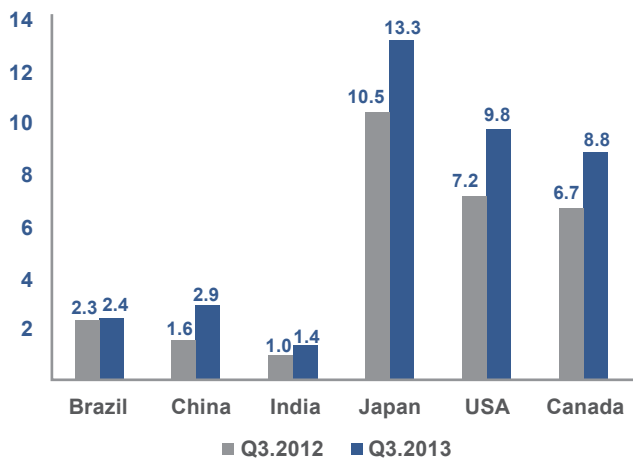
Source : KPMG in India analysis, Industry discussions conducted by KPMG in India
 Note : (1) DTH figures for 2011 and 2012 have been re-stated taking into consideration the change in the way industry calculates net subscribers
 (2) DTH figures are net of churn

Broadband

Industry Overview

Low internet penetration of 17 per cent in the country offers immense opportunities for growth in this segment. At the end of 2013, the subscriber base for fixed line broadband in India was estimated at 15.5 Million. Connection speeds in India increased from an average of 1 mbps in 2012 to 1.4 mbps in 2013, registering a growth of 40 per cent YoY. However, this is still low compared to average speeds in China (2.9 mbps) and Brazil (2.4 mbps), and much lower than leaders like the US and Canada.

Average Connection speeds (mbps)



Source: AKAMAI = State of the Internet Reports Q3-2012 and Q3-2013, KPMG in India analysis

In India, high speed connectivity reached a penetration level of 3 per cent in 2013, and was restricted to the metros where internet connectivity is available at speeds of >4 mbps. High speed broadband (>10 mbps) penetration reached only 0.3 per cent of India's overall internet connections in 2013. India has a lot of catching up to do in terms of connection speeds and penetration when compared to other major developed and emerging countries.

Business Overview

We are the largest broadband player in India in the cable broadband market. Our networks pass 1.8 Million homes. Our strong and extensive presence in the cable TV market is the foundation for our internet initiatives. We launched a high speed DOCSIS 3.0 internet service in October 2013 commencing with a roll out in Mumbai, followed by Pune and Bengaluru thereafter. This service offers speeds of 50 Mbps at competitive price points. The target user for high speed internet will initially be high-value individuals and corporate customers, since it involves enabling of additional VAS such as VDOC, Video Conference, VOIP etc, and supports protocols such as IPv6. Accordingly, these incremental subscribers to the high speed internet will generate ARPU's of around ₹ 650, which is about twice as much as the existing rate.

Performance Review

The standalone operating revenue for the Company for the year ended March 31, 2014 stood at ₹ 988.14 Crores, which represents a growth of 48% over the previous year. The EBITDA was at ₹ 191.28 Crores (previous year ₹ 182.18 Crores).

The consolidated operating revenue was ₹ 1593.75 Crores (previous year ₹ 1148.19 Crores), up by 39%, and the EBITDA at ₹ 311.90 Crores (previous year ₹ 289.51 Crores) was up by 8%. The consolidated PAT loss stood at ₹ 111.11 Crores (previous year PAT ₹ 15.70 Crores).

Key Growth Drivers

Addressability – the key for effective Digitisation

The TRAI has mandated KYC norms for subscribers to cable TV services. It is anticipated that this process is largely complete in Phase I and Phase II cities. This will result in effective monetisation of all services delivered to a subscriber.

Unbundling of channels - Tiering and Packaging

Before DAS was implemented, consumers paid a flat rate for all channels. However, in a digitised ecosystem, channels have to be packaged, giving customers the freedom to choose between such packages, this is expected to drive growth in ARPU.

Value Added Services & Bundling

Value added services such as HD, VoD and niche channels are expected to be key revenue drivers in the future. Hathway is building the necessary backend infrastructure and eco system for the roll out of these services. It currently offers 30+ HD channels on its network. The Company also offers bundled services (Cable TV + HD + Broadband DOCSIS 3) to its customers. This will act as a barrier to customer churn.

Branding and Customer Service

Prior to the introduction of DAS, we had been following a predominantly B2B business model. The compulsions of digitisation have prompted us to move to a B2C model. We realise that, over time, customer service, brand identity and value will become critical differentiators among the industry participants. Brand Hathway is well established in the minds of consumers in several pockets and hence, we are potentially well placed to ensure 'consumer mind-space'.

Risks and Concerns

Market Risk

We derive a significant portion of our subscription revenue from carriage and placement fees. In the event of any decline in the growth of the broadcasting business in India or its stagnation, our revenues may decrease.

LCOs buying into our new model – With the advent of DAS, we are shifting to a new revenue model that should improve the economies for stakeholders across the value chain.

However, even when ARPUs increase and customer choices become clearer, we will still require the cooperation of last mile owners of networks and revenue sharing will certainly reflect this reality.

Competition – Our TV cable services face competition from providers of television services through alternative technology platforms, such as DTH satellite television and IPTV. However, we enjoy certain advantages over competitors in the DTH space, such as better quality for the end-user, ability to deliver localised content, reliability of service even in monsoons, lower cost of subscriber acquisition and better suitability in high-density areas.

Financing Risk

As at March 31, 2014, we have outstanding loans from banks and financial institutions of ₹ 510 Crores, which are subject to floating interest rates. In addition, outstanding payables to banks and creditors for capital expenditure aggregated to ₹ 511 Crores and are subject to fluctuations in foreign currency rates.

We have partly hedged our foreign currency risks through forward cover contracts. However, we have not entered into any hedging transactions with respect to interest rates. We

have also received ₹ 250 Crores through a preferential issue of equity in FY2014.

Human Resources

With digitisation, we have transitioned from a B2B to B2C business model. We realise this requires a completely different customer interface, which can only be put in place by leveraging quality human resources that enhance our customers' experiences.

The talent sourcing drive that we started last year gained further momentum during the year as we went on to recruit human resources with experience in the telecommunications and media space. This will enable us to secure our leadership position as the digitisation process picks further pace.

We are also in the process of restructuring and retraining our in-house human resources towards making the organisation more customer-centric.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectation may be "forward-looking" within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organisation's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations.

The Company believes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders. Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work place have been institutionalised.

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India, the report containing the details of governance systems and processes at Hathway Cable & Datacom Limited is as under:

2. BOARD OF DIRECTORS

a) Composition of the Board of Directors

As on March 31, 2014, the Board has an optimum combination of Executive, Non-Executive and Independent Directors, comprising of One Executive Director and Nine Non-Executive Directors of which four are Independent Directors. The Chairman of the Board is an Independent Director.

The composition of the Board and other relevant details relating to Directors for the financial year ended March 31, 2014 are as under:

Name of the Director	Relationship with other Directors	Designation	Category of Directorship	No of Other Directorships ¹	No of Committees in Other Companies ²	
					Chairman	Member
Mr. Brahma Vasudevan	None	Chairman	Independent	-	-	-
Mr. Rajan Raheja	Father of Mr. Akshay Raheja & Mr. Viren Raheja	Director	Non- executive & Non Independent	7	-	4
Mr. Akshay Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Viren Raheja	Director	Non- executive & Non Independent	3	-	2
Mr. Viren Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Akshay Raheja	Director	Non- executive & Non Independent	4	-	4
Mr. Jagdish Kumar G Pillai	None	Managing Director & CEO	Executive	-	-	-
Mr. Vinayak Aggarwal	None	Director	Non- executive & Non Independent	1	-	-
Mr. Sasha Mirchandani	None	Director	Independent	3	-	1
Mr. Sridhar Gorthi	None	Director	Independent	2	-	3
Mr. Devendra Shrotri	None	Director	Independent	-	-	-
Mr. Biswajit Subramanian	None	Director	Non- executive & Non Independent	3	-	-

1 Directorships in Private, Foreign Companies, and Companies under Section 25 of Companies Act, 1956 if any, are excluded.

2 Memberships of only Audit Committee and Shareholders' Grievance Committee have been considered.

b) Appointment/Re-appointment of Directors:

Pursuant to the provisions of Sections 152 of the Companies Act, 2013, Mr. Rajan Raheja and Mr. Akshay Raheja shall retire by rotation at the forthcoming Annual General Meeting.

As per the provisions of Section 149(4) of the Companies Act, 2013 it would be necessary to have atleast one third of the total number of directors as independent directors. The provisions of sub section 10 of the said Section further stipulates that an independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall not be liable to retire by rotation. The Company has received the notice along with requisite deposit, from members of the Company pursuant to Section 152 of the Companies Act, 2013 proposing the candidature of Mr. Brahmal Vasudevan, Mr. Sridhar Gorthi, Mr. Sasha Mirchandani and Mr. Devendra Shrotri for the office of Director, to be designated as Independent Directors of the Company.

The Board has recommended to the shareholders the appointment/re-appointment of the aforesaid directors retiring by rotation and Independent Directors, as in the opinion of the Board, they fulfill the conditions specified in this Act for holding of office of director / independent director. The detailed resume of the aforesaid proposed appointees who have offered themselves for appointment/re-appointment are provided in the explanatory statement annexed to the notice of the Annual General Meeting.

c) Board Meetings and Annual General Meeting:

During the financial year 2013-14, 7 (Seven) Board Meetings were held on April 18, 2013, May 29, 2013, July 19, 2013, August 12, 2013, November 14, 2013, February 13, 2014 and March 25, 2014. The last Annual General Meeting of the Company was held on July 24, 2013.

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 Last Annual General Meeting
Mr. Brahmal Vasudevan	3	No
Mr. Rajan Raheja	6	No
Mr. Akshay Raheja	5	No
Mr. Viren Raheja	7	Yes
Mr. Jagdish Kumar G. Pillai	7	Yes
Mr. Vinayak Aggarwal	5	Yes
Mr. Sasha Mirchandani	5	No
Mr. Sridhar Gorthi	2	No
Mr. Devendra Shrotri	3	Yes
Mr. Biswajit Subramanian	5	No
Mr. K. Jayaraman*	0	N.A.

* Ceased to be a Director w.e.f. May 29, 2013.

d) 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. As required by Clause 49 of the Listing Agreement, the declaration on compliance of the Company's code of conduct signed by Managing Director forms a part of this Annual Report.

3. AUDIT COMMITTEE**a) Constitution of Audit Committee:**

The Committee comprises of five Non-executive Directors out of which four are independent directors. All the members of the Committee are financially literate.

b) Composition of Audit Committee and Number of Meetings Attended:

During the financial year 2013-14, four Audit Committee Meetings were held on May 29, 2013, August 12, 2013, November 14, 2013 and February 13, 2014. The composition of the Audit Committee and the number of meetings attended were as under:

Committee Members Attending the Meeting	Designation	No. of Meetings Attended
Mr. Devendra Shrotri	Chairman	1
Mr. Viren Raheja	Member	4
Mr. Sasha Mirchandani	Member	3
Mr. Sridhar Gorthi	Member	2
Mr. Brahmam Vasudevan	Member	3

c) Attendees:

The Audit Committee invites such of the Board Members and senior management team, as it considers appropriate to be present at its meetings. The Statutory Auditors are also invited to these meetings.

d) The terms of Reference of the Audit Committee as defined by the Board are as under:

- 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, re-appointment and, if required, the replacement or removal of the statutory auditor, approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv) Reviewing, with the management, the annual financial statements 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 Section 217(2AA) of the Companies Act, 1956.
 - (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 judgement 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.
- v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- vi) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- vii) 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.
- viii) Discussion with internal auditors on any significant findings and follow up there on.
- ix) 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.
- x) Discussion with statutory auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xi) 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.
- xii) Review of information as prescribed under Clause 49 (II) (E) of the listing agreement.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Constitution of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of six members. All the members of the Committee are Non-Executive Directors out of which four members are Independent Directors. The Chairman of the Committee is an Independent Director.

The Remuneration Committee was renamed as Nomination and Remuneration Committee vide resolution passed by the Board of Directors of the Company on May 29, 2014 in compliance with the provisions of the Companies Act 2013.

b) Composition of Remuneration Committee and the number of meetings attended:

During the financial year 2013-14, 1 (One) Remuneration Committee Meeting was held on July 19, 2013.

Committee Members Attending the Meeting	Designation	No of meetings attended
Mr. Sridhar Gorthi	Chairman	0
Mr. Viren Raheja	Member	1
Mr. Akshay Raheja	Member	1
Mr. Sasha Mirchandani	Member	1
Mr. Devendra Shrotri	Member	1
Mr. Brahma Vasudevan	Member	0

c) Terms of reference:

The Committee has the mandate to review and recommend compensation payable to the executive directors and senior management of the Company. It shall also administer the Company's stock option plans, if any, including the review and grant of the stock options to eligible employees under plans. The Committee may review the performance of the Executive Directors, if any and for the said purpose may lay down requisite parameters for each of the executive directors at the beginning of the year.

d) Remuneration Policy:

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:

The Company pays sitting fees to all the Non Executive Directors of the Company. The sitting fees paid is within the limits prescribed under the Companies Act, 1956.

The Board of Directors at their Meeting held on September 21, 2009 had approved payment of sitting fees up to ₹ 20,000/- (Rupees Twenty Thousand only) for attending meeting of Board of Directors and ₹ 15,000/- (Rupees Fifteen Thousand only) for attending meeting of the Audit Committee. Details of the sitting fees paid during the financial year 2013-14 are as under:

Name of the Director	Sitting Fees Paid (Amt. in ₹)
Mr. Rajan Raheja	1,20,000
Mr. Akshay Raheja	1,00,000
Mr. Viren Raheja	2,00,000
Mr. Vinayak Aggarwal	1,00,000
Mr. Brahma Vasudevan	1,05,000
Mr. Sasha Mirchandani	1,45,000
Mr. Sridhar Gorthi*	70,000
Mr. Devendra Shrotri	75,000
Mr. Biswajit Subramanian	1,00,000
Total	10,15,000

* Payments made directly to "Trilegal"

iii) Executive Directors:

As on March 31, 2014, Mr. Jagdish Kumar G. Pillai, Managing Director & CEO, was only Executive Director in the Company.

Details of remuneration paid to Executive Directors during year ended March 31, 2014 are given below:

Name of the Executive Director	Designation	Salary & Perquisites (₹)	Commission (₹)	Total (₹)
Mr. Jagdish Kumar G. Pillai	Managing Director & CEO	21,120,697	Nil	21,120,697

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) Constitution and Composition of Stakeholders' Relationship Committee :

The Shareholders' Grievance Committee was renamed as Stakeholders' Relationship Committee vide resolution passed by the Board of Directors of the Company on May 29, 2014 in compliance with the provisions of the Companies Act 2013.

The Stakeholders' 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 Committee is a Board level committee under the Chairmanship of Mr. Jagdish Kumar G. Pillai, an Executive Director. During the financial year 2013-2014, 1 (One) meeting of Shareholders/Investors Grievance Committee was held on September 26, 2013. The present composition of the Shareholders/ Investors' Grievance Committee is as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Jagdish Kumar G. Pillai	Chairman	1
Mr. Vinayak Aggarwal	Member	1
Mr. Viren Raheja	Member	1

b) Mr. Ajay Singh, Company Secretary acts as Compliance officer of the Company.

c) During the year 2013 - 14, 6 grievances from investors have been received. There were no complaints pending as at end of the year.

Received from	Received During 2013-14	Redressed during 2013-14	Pending as on 31.03.2014
SEBI	0	0	0
NSE	0	0	0
BSE	0	0	0
NSDL/CDSL	0	0	0
Direct from Investors	6	6	0
Total	6	6	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. The Stakeholders' Relationship Committee of the Company meets as often as required. There were no transfer of shares held in physical form during the year 2013-14.

6. GENERAL BODY MEETINGS

i) Location, time and date of holding of the last three Annual General Meetings (AGM) are given below:

Year	Date	Venue	Time
2010-11	27.09.2011	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm
2011-12	26.09.2012	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm
2012-13	24.07.2013	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm

ii) Special Resolutions during previous three Annual General Meetings:

Financial Year	Particulars of Special Resolutions Passed
2010-2011	1. Re-appointment of Mr. K. Jayaraman as a Managing Director & CEO of the Company as per Central Government's directions for a remaining period of 2 years. 2. Approval for waiver of excess remuneration and sitting fees paid to Mr. K. Jayaraman, Managing Director & CEO of the Company.
2011-2012	Nil
2012-2013	Nil

iii) Location, time and date of holding of the Extra Ordinary General Meetings (EGM) in last three years are given below:

Year	Date	Venue	Time
2010-11	NIL		
2011-12	NIL		
2012-13	19.08.2013	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	4.00 pm
	26.09.2013	Rahejas, 6th Floor, Corner of Main Avenue & V.P.Road, Santacruz West, Mumbai 400054	12.00 noon

iv) During the financial year 2013-14, on July 26, 2013, following resolutions were passed by way of Postal Ballot for seeking approval of members for:

- a. Ordinary Resolution under Section 293 (1)(d) of the Companies Act, 1956 for authorising the Board of Directors to borrow in excess of the Paid up Capital and free reserve subject to maximum limit of ₹ 1400 Crores.
- b. Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 for authorising the Board of Directors for creation of Charge / Hypothecation / Mortgage on the movable / immovable properties of the Company for securing the borrowings of the Company subject to maximum limit of ₹ 1400 Crores.

The said resolutions were passed through Postal Ballot and Shareholders of the Company was provided e-Voting facility for casting their votes electronically on the said resolutions.

Mr. Jagdishkumar G.Pillai and Mr. Milind Karnik, the then Company Secretary were appointed as Authorised Persons responsible for the Postal Ballot Process by the Board of Directors.

It is proposed to pass three resolutions as special resolution through Postal Ballot Process results of which will be declared on July 14, 2014 as per the Calendar of Events approved by the Board of Directors at their meeting held on May 29, 2014. Shareholders of the Company have also been provided e-Voting facility casting their votes electronically on the said resolutions.

The Calendar of events of the proposed Postal Ballot is as follows:

Sr. No.	Events	Date	Day
1.	Date on which consent given by the scrutinizer.	May 28, 2014	Wednesday
2.	Date of appointment of scrutinizer.	May 29, 2014	Thursday
3.	Date of Board resolution authorising any of the Directors to be responsible for the entire postal ballot process.	May 29, 2014	Thursday
4.	Date of completion of dispatch of notice and postal ballot forms.	June 9, 2014	Monday
5.	Publication of Notice for dispatch of postal ballot forms in the News Paper.	June 10, 2014	Tuesday
6.	Last date for receiving postal ballot papers by scrutinizer.	July 9, 2014	Wednesday
7.	Last date for submission of report by scrutinizer.	July 12, 2014	Saturday
8.	Date of declaration of result by Chairman and/or Managing Director	July 14, 2014	Monday
9.	Date of returning the ballot papers, register and other related papers to the Chairman by the scrutinizer.	July 14, 2014	Monday
10.	Last date of signing of the Minutes book by the chairman in which the results of ballot is recorded	July 14, 2014	Monday

7. 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 except the transactions mentioned under the Section of Notes to Accounts which forms a part of the Auditors' Report for the year ended March 31, 2014.

(b) Compliance by the Company:

There was no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related 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 which was approved by the Board of Directors on May 29, 2014. 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 Listing Agreement. The Company has not implemented the non-mandatory requirements, except the constitution of Remuneration Committee, enlisted by way of annexure to Clause 49 of the listing agreement.

- i) All related party transactions are disclosed to the Board of Directors during the Board Meetings and also placed before the Audit committee. During the year, there were no transactions of material nature entered into with the Directors of the Company or their relatives that had potential conflict with the interest of the Company.
- ii) The Company has complied with the requirements of regulatory authorities on capital markets and no penalty/stricture was imposed on the Company by SEBI, or Stock Exchange or any Statutory Authority during the last three years.
- iii) The Company affirms that no employee has been denied access to the Audit Committee.
- iv) The Company has complied with all mandatory requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange.
- v) The shares held by promoters have not been pledged with any Bank, Financial Institutions or any third party.
- vi) GTPL Hathway Private Limited (GTPL) (formerly known as Gujarat Telelinks Private Limited) is a material non-listed Indian subsidiary company in terms of Clause 49(III) of the Listing Agreement. Accordingly, Mr. Devendra Shrotri, Independent Director of the Company, is Director on the Board of GTPL. The Company also has approximately 75 non-material subsidiaries and step down subsidiaries.

8. CEO/CFO CERTIFICATION:

As required under Section V of the clause 49 of the Listing Agreement with the Stock Exchanges, the Managing/Whole Time Directors and Chief Financial Officer of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and other matters related to internal controls in the prescribed format for the year ended March 31, 2014.

9. MEANS OF COMMUNICATION

- (i) The quarterly results of the Company are published in Aapla Mahanagar (Marathi Newspaper) and Business Standard (English Newspaper). The Company ensures that all quarterly, half-yearly and full year audited results be published at least in 2 newspapers. The quarterly results are further submitted to the National Stock Exchange of India Limited and BSE Limited immediately after the conclusion of the respective meetings.
- (ii) The Company has its own website www.hathway.com wherein the financial results, Annual Reports and other material information for the information of investors are uploaded.
- (iii) The Management Discussion and Analysis Report is attached and forms part of this Annual Report.

10. GENERAL SHAREHOLDERS' INFORMATION

a.	Date, time and venue of Annual General Meeting of Shareholders	August 5, 2014 at 3.00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai - 400 049.
b.	Dates of book closures	Friday, August 1, 2014 to Tuesday, August 5, 2014 (Both days inclusive)
c.	Dividend Payment	The Board of Directors of the Company has not recommended any dividend for the financial year ended March 31, 2014.
d.	Financial Calendar	The Company follows April-March as its financial year. The results for every quarter beginning from April are declared as per the listing agreement.
e.	Listing on stock exchanges	National Stock Exchange of India Limited (Code : HATHWAY) BSE Limited (Code : 533162) ISIN : INE982F01028
f.	Listing fees	Paid for F.Y. 2014-2015 to both the stock exchanges wherein the shares of the Company are listed.
g.	Registered office	"Rahejas", 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai- 400 054. Tel: (022) 26001306 Fax: (022) 26001307
h.	Registrar and Share Transfer agents	Link Intime India Private Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 Tel : (022) 25963838 Fax : (022) 25946969
i.	Share Transfer System	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. The Stakeholders' Relationship Committee of the Company meets as often as required.
j.	Plant Locations	The Company is not engaged in manufacturing activities.
k.	Disclosures regarding appointment or-reappointment of Directors:	<p>Pursuant to provisions of Section 152 of the Companies Act, 2013, Mr. Rajan Raheja and Mr. Akshay Raheja, retire by rotation in the forthcoming Annual General Meeting.</p> <p>Mr. Brahma Vasudevan, Mr. Sridhar Gorthi, Mr. Sasha Mirchandani and Mr. Devendra Shrotri are holding the office of directors categorised as Independent Directors of the Company. As per the provisions of Section 149(10) of the Companies Act, 2013 an independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall not be liable to retire by rotation. Hence, resolution for appointment of all the four independent directors are placed in the Notice of Annual General Meeting for seeking approval of members.</p> <p>The detailed resume of the Directors proposed to be re-appointed is provided in the Notice of the Annual General Meeting. The Board has recommended the re-appointment of the said Directors to the Shareholders.</p>

I. Stock Market price data

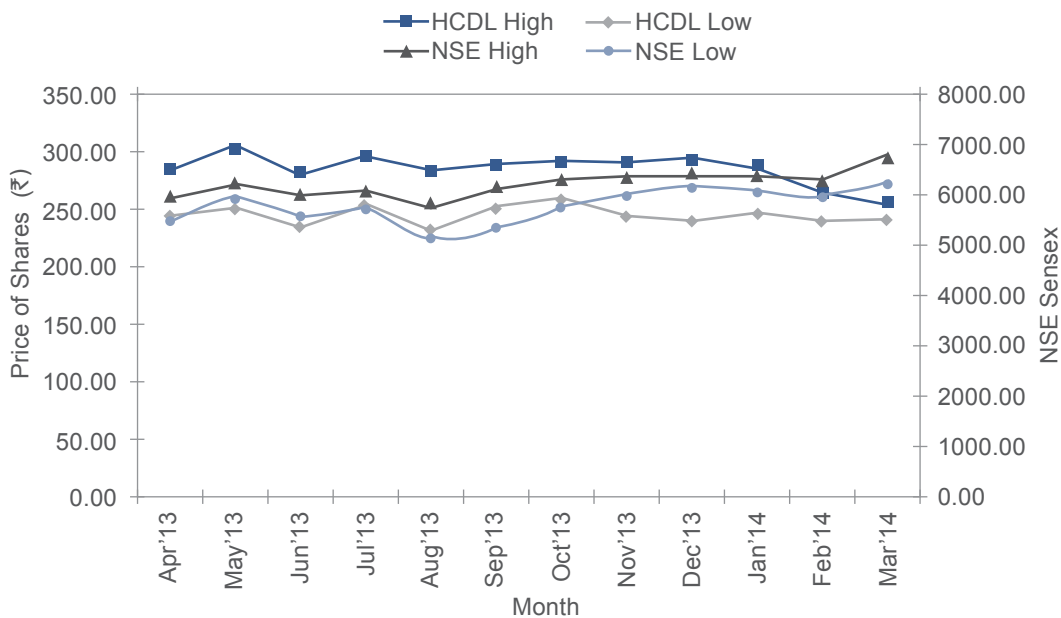
National Stock Exchange of India Limited

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 March 31, 2014 is given below:

Performance in comparison to NSE Nifty:

Month	NSE Nifty (High)	NSE Nifty (Low)	HCDL (High) (₹)	HCDL (Low) (₹)
April 2013	5962.30	5477.20	285.30	246.00
May 2013	6229.45	5910.95	302.00	251.00
June 2013	6011.00	5566.25	281.00	237.65
July 2013	6093.35	5675.75	296.00	253.00
August 2013	5808.50	5118.85	283.15	235.00
September 2013	6142.50	5318.90	288.70	251.85
October 2013	6309.05	5700.95	290.90	256.95
November 2013	6342.95	5972.45	289.75	246.00
December 2013	6415.25	6129.95	291.90	242.00
January 2014	6358.30	6027.25	287.45	246.55
February 2014	6282.70	5933.30	266.00	240.20
March 2014	6730.05	6212.25	257.00	241.10

Monthly High-Low Share Price / NSE Sensex

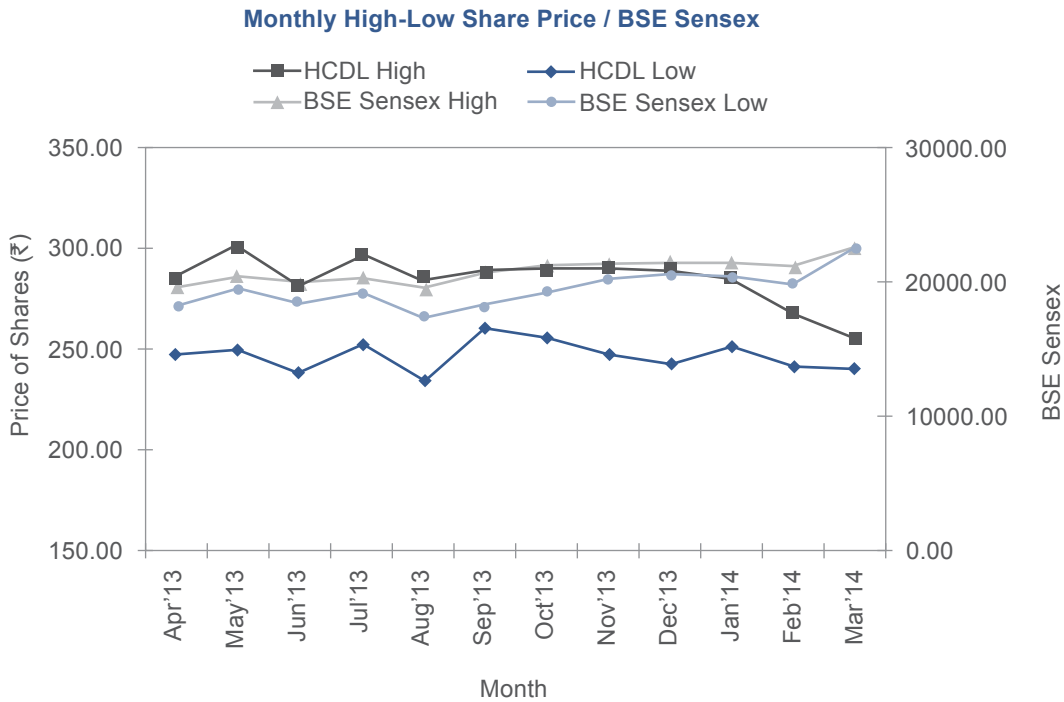


BSE Limited

Monthly High and Low of closing prices of the Company's Equity Shares traded at BSE Limited for the financial year ended March 31, 2014 is given below:

Performance in comparison to BSE Sensex:

Month	BSE SENSEX (High)	BSE SENSEX (Low)	HCDL (High) (₹)	HCDL (Low) (₹)
April 2013	19622.68	18144.22	285.85	247.00
May 2013	20443.62	19451.26	301.70	250.25
June 2013	19860.19	18467.16	281.80	238.10
July 2013	20351.06	19126.82	296.80	252.45
August 2013	19569.20	17448.71	285.00	235.05
September 2013	20739.69	18166.17	288.00	260.10
October 2013	21205.44	19264.72	290.20	255.75
November 2013	21321.53	20137.67	289.95	248.05
December 2013	21483.74	20568.7	290.00	243.00
January 2014	21409.66	20343.78	286.80	251.00
February 2014	21140.51	19963.12	267.80	241.00
March 2014	22467.21	20920.98	256.00	240.00



I. a) Distribution of Shareholding:

Range	No. of Shareholders	% of Share holders	No of Shares	% of Total Shares
1 - 5000	8371	98.11	1147277	0.75
5001 - 10000	32	0.38	244463	0.16
10001 - 20000	21	0.25	328357	0.22
20001 - 30000	12	0.14	316826	0.21
30001 - 40000	11	0.13	390602	0.26
40001 - 50000	11	0.13	518156	0.34
50001 - 100000	17	0.20	1252730	0.82
100001 & above	57	0.66	147800489	97.24
Total	8532	100.00	151998900	100.00

b) Category wise Distribution Schedule as on March 31, 2014

Sr. No.	Category	No. of Shares held	%
1.	Corporate Bodies (Promoter Companies)	24019003	15.80
2.	Clearing Members	23685	0.02
3.	Other Bodies Corporate	2596854	1.71
4.	Foreign Company	10731281	7.06
5.	Financial Institutions	872821	0.57
6.	Foreign Institutional Investor	48144492	31.67
7.	Mutual Funds	12034857	7.92
8.	Non Nationalised Banks	89	0.00
9.	Non Resident Indians	24363	0.02
10.	Non Resident Indians (Non Repatriable)	32741	0.02
11.	Public	3096138	2.04
12.	Directors and Relatives of Director	50422576	33.17
	Total	151998900	100.00

m. Address for correspondence

For general Correspondence "Rahejas", 4th Floor,
Corner of Main Avenue & V.P. Road,
Santacruz (West), Mumbai – 400 054.
Tel: (022) 26001306 Fax: (022) 26001307
info@hathway.net ; investorgrievance@hathway.net

For matters related to Share transfers Dematerialisation, etc.
Link Intime India Private Ltd.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai 400 078
Tel : 022-25963838 Fax : 022-25946969
Email id: rnt.helpdesk@linkintime.co.in

n. Dematerialisation 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 INE982F01028

As on March 31, 2014, except 53 equity shares all the shares have been held in dematerialised form.

- o.** The Company has no outstanding GDR's/ADR's/Warrants or any convertible instruments pending conversion or any other instrument likely to impact the Equity Share Capital of the Company.

p. Details as per clause 5A of Listing Agreement

Table (Clause 5A of the Listing Agreement)

Unclaimed Shares as on April 1, 2013		Details of Shareholders approached during the FY 2013-14 for claiming of shares		Details of Shareholders to whom the shares have been transferred during the FY 2012-13		Unclaimed Shares as on March 31, 2014	
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	875	Nil	Nil	Nil	Nil	11	875

* 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.

Request to investors:

- a) Investors are requested to communicate change of address, if any, directly to the share transfer agent of the Company at the above address.
- b) As required by SEBI, investors shall furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorised persons.
- c) The shareholders are requested to dematerialise their physical share certificates, through a depository participant. Shareholders requiring any further clarification / assistance on the subject may contact the Company's share transfer agent.
- d) 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.
- e) 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.
- f) Investors are requested to kindly note that any dividend which remains uncashed for a period of seven years will be transferred to "Investors Education and Protection Fund" in terms of Section 125 of the Companies Act, 2013 corresponding to Section 205C of the erstwhile Companies Act, 1956.
- g) Ministry of Corporate Affairs (MCA) vide Circular bearing Nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011 respectively has taken steps towards "Green Initiative", by allowing paperless compliances by serving documents through electronic mode (e-mail) by companies to its shareholders. As an enlightened corporate citizen, going forward we propose to send all future shareholders' communications like Notices, Company's Annual Report etc. through electronic mode. This will also ensure prompt receipt of communication avoid loss in postal transit and saving of huge cost incurred in printing and postage.

In support to the "Green Initiative" introduced by MCA, your Company's desire to participate in the same. We therefore request you to kindly provide your e-mail address to our Registrar, Link Intime India Private Limited.

As directed by MCA vide its above circulars, the Company would also make available these documents on the Company's website viz. <http://www.hathway.com> for reference and download by the shareholders.

The Shareholders who still hold the shares in the physical mode are requested to convert their respective holding in Dematerialisation form and get their e-mail registered with the Company / Registrar & Share Transfer Agent to enable your Company to actively participate in the said Green Initiative.

h) CODE OF CONDUCT DECLARATION

Pursuant to Clause 49 I (D) of the Listing Agreement entered into with the Stock Exchanges, I hereby declare that the Company has obtained affirmative compliance with the code of conduct from all the Board members and senior management personnel of the Company.

Jagdish Kumar G. Pillai
Managing Director & CEO

Place: Mumbai

Date: June 24, 2014

To

The Members of
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 March 31, 2014, as stipulated in Clause 49 of the Listing Agreement 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 the above mentioned Listing Agreement.

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 KAMDAR
Partner
FCS No. 5171
C.P. No. 3030

Date: June 24, 2014
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of HATHWAY CABLE & DATACOM LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of HATHWAY CABLE & DATACOM LIMITED ("the Company") which comprise the Balance sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as

evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note no. 4.22 to the accounts relating to basis of recognition of income. In view of the prevailing circumstances, as explained in the said note, the Company has estimated its income from its networks located in these cities.

Our opinion is not qualified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply

with the Accounting Standards referred to in subsection (3C) of section 211 of the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and

- (e) On the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified from being appointed

as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

**Viren Thakkar
Partner**

**Place: Mumbai
Dated: May 29, 2014**

Membership No. 49417

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in Paragraph 1 under "other legal and regulatory requirements" of our report of even date)

- (i) (a) The Company has maintained records of fixed assets showing particulars of assets including quantitative details and location, except the following:
- location-wise particulars of some of the Distribution Equipments like cabling and other line equipments. As explained to us, nature of such assets is such that maintaining location-wise particulars is impractical; and
 - *location-wise particulars of Access Devices with the subscribers.*
- (b) Fixed assets were physically verified during the year, except the Access Devices with the subscribers / local cable operators. Distribution Equipments like cabling and other line equipments of selected networks were verified. We were informed that the management plans to verify other networks also in a phased manner.
- The Company has initiated the process of reconciliation of book records with physical verification. *However, in absence of updated location-wise particulars of certain assets, actual discrepancies, if any, are yet to be ascertained.*
- In our opinion, frequency and procedure for verification of Distribution Equipments, Access Devices and certain Head-end Equipments under control of local cable operators and subsequent reconciliation with book records need to be strengthened.*
- (c) During the year, the Company has not disposed off any substantial part of fixed assets.
- (ii) (a) The inventories have been physically verified by the management during the year.
- (b) In our opinion and according to the information and explanation given to us, the frequency of verification and procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of such inventory. We have been informed that no material discrepancies were noticed on physical verification between the stocks and the book records.
- (iii) (a) The Company has not granted unsecured loans and Inter-Corporate Deposits to companies covered in the Register maintained under Section 301 of the Act. Hence provisions of clauses (iii) (b), (c), (d) of paragraph 3 are not applicable to the Company.
- (e) to (g) The Company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. In view of the same, sub-clauses (f) to (g) of the clause (iii) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system with regards to purchases of the inventory and fixed assets and sale of goods and services. The management is in process of further strengthening the internal controls over documentation in certain areas so as to make it commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any other area of continuing failure to correct major weakness in internal controls *except internal controls relating to revenue recognition to the extent it relates to identification / registration of ultimate subscribers.*
- (v) (a) On perusal of the information available with the Company and based on explanations given to us, there have been no contracts or arrangements referred to in section 301 of the Act for the year that needs to be entered into the register maintained under that section.
- (b) In our opinion and according to the information and explanation given to us, during the year there have been no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding ₹ Five Lacs. Hence the question of whether such transactions have been made at prices which are reasonable having regard to prevailing market prices at the relevant time does not arise.
- (vi) 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 Section 58A, 58AA or any other relevant provisions of the Act and Rules framed there under are not applicable to the Company. As informed to us, 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.

- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- (viii) The Central Government has prescribed maintenance of cost records under section 209(1)(d) of the Act in respect of certain service activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained subject to our comments as stated above. We have not, however, made a detailed examination of the same.
- (ix) (a) Based on the records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues such as Provident Fund, Income Tax, Custom Duty and other material statutory dues wherever applicable. According to the information and explanations given to us, there are no arrears of undisputed statutory dues outstanding for a period of more than six months from the date on which they became payable except in case of Entertainment tax amounting to ₹ 2.01 Crores outstanding for more than six months.
- (b) The details of disputed statutory dues, that have not been deposited by the Company are as under:

Sr. No.	Name of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (In ₹ Crores)
1	Bombay Sales Tax Act, 1959	Sales Tax	Assistant Comm. of Sales Tax, Appeals	1999-2000	0.007
2	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Andhra Pradesh High Court	May 2005 to June 2006	0.58
3	Income Tax Act, 1961	Tax deducted at source & interest thereon	Commissioner of Income Tax (Appeals)	April 2000 to March 2004	3.99*
4	Bombay Entertainments Duty Act, 1923	Entertainment Tax & penalty thereon	Collector Office, Thane	June 2006 to May 2007	0.89
5	Bombay Entertainments Duty Act, 1923	Entertainment Tax	Court of Divisional Commissioner, Aurangabad division	May 2009 to October 2010	1.59
6	Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	Sales Tax Appellate Tribunal, Andhra Pradesh.	April 2011 to May 2013	18.05#
7	The Maharashtra Value Added Tax Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax	April 2008 to March 2009	0.09
8	The Central Sales Tax Act, 1958	Central Sale Tax	Joint Commissioner of Sales Tax	April 2008 to March 2009	0.63
9	Delhi Entertainment & Betting Tax Act, 1966	Entertainment Tax	Delhi High Court	April 2013 to May 2013	5.95##

* Part payment made to department ₹ 1.99 Crores.

₹ 9.03 Crores paid as pre-deposit

Amount paid ₹ 3.14 Crores

- (x) The accumulated losses at the end of the financial year are not less than fifty percent of Net worth of the Company. The Company has neither incurred cash losses during the financial year covered by our audit nor in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
- (xii) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a nidhi /mutual benefit fund / society and hence clause 4(xiii) of the Order relating to such entities is not applicable to the Company.

- (xiv) The Company has maintained proper records of transactions and contracts in respect of its dealing in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name except certain government securities, which are deposited with revenue authorities as part of registration formalities. Such securities are held in the name of the officials or *ex-officials* of the Company.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiaries from a bank and others, the terms and conditions whereof, as explained to us, are not prima facie prejudicial to the interest of the Company.
- (xvi) Based on information and explanation given to us and based on overall review of the funds utilisation, we are of the view that the Company has generally utilised funds for which they were obtained. However, pending such utilisation these funds have been temporarily utilised to reduce the short-term borrowings.
- (xvii) According to the information and explanations given to us and on overall examination of the financial statements of the Company, we are of the opinion that, the funds raised on short-term basis have generally not been used for long term investment.
- (xviii) According to the information and explanations given to us, during the year, the Company has made preferential allotment of shares to one of the promoter group company covered in the register maintained under Section 301 of the Act. Since such shares are allotted in accordance with Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the price at which shares are allotted are not prima facie prejudicial to the interest of the Company.
- (xix) The Company has not issued any secured debentures hence the question of creation of securities does not arise.
- (xx) We have verified the end use of money raised by public issue and the same is as disclosed in note no. 4.21 to the accounts.
- (xxi) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit except cases of misappropriation of cash collection from the subscribers and fraudulent withdrawals of funds by employees aggregating to ₹ 0.03 Crores.

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

**Viren Thakkar
Partner**

**Place: Mumbai
Dated: May 29 , 2014**

Membership No. 49417

BALANCE SHEET as at March 31, 2014

(₹ in Crores unless otherwise stated)

	Notes	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.01	152.00	143.17
Reserves and Surplus	2.02	772.16	658.23
Non-Current Liabilities			
Long-Term Borrowings	2.03	801.46	477.31
Other Long-Term Liabilities	2.04	11.24	9.89
Current Liabilities			
Short-Term Borrowings	2.05	52.67	39.96
Trade Payables	2.06	107.05	68.92
Other Current Liabilities	2.06	468.96	458.40
Short-Term Provisions	2.07	7.16	5.78
		2,372.70	1,861.66
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.08	1,094.16	809.23
Intangible Assets	2.09	102.93	87.02
Capital Work In Progress	2.08	228.98	198.82
Non-Current Investments	2.10	371.61	312.82
Deferred Tax Assets (Net)	2.11	-	-
Trade Receivables	2.12	12.21	12.45
Long-Term Loans and Advances	2.13	88.36	79.45
Other Non-Current Assets	2.14	62.16	27.21
Current Assets			
Inventories	2.15	1.73	1.51
Trade Receivables	2.12	266.22	205.14
Cash and Bank Balances	2.16	2.95	10.67
Short-Term Loans & Advances	2.13	139.73	108.81
Other Current Assets	2.14	1.66	8.53
		2,372.70	1,861.66
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(VIREN THAKKAR)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & CEO

(AJAY SINGH)
Company Secretary & Compliance Officer

(VINAYAK AGGARWAL)
Director

Mumbai
Dated: May 29, 2014

Mumbai
Dated: May 29, 2014

STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2014

(₹ in Crores unless otherwise stated)

	Notes	Year ended March 31, 2014	Year ended March 31, 2013
INCOME			
Revenue from Operations	3.01	980.44	654.31
Other Income	3.02	7.70	13.64
		988.14	667.95
EXPENDITURE			
Purchase of Stock-In-Trade	3.03	13.01	10.99
Operational Expenses	3.04	547.09	295.29
Employee Benefits Expense	3.05	52.27	42.20
Other Expenses	3.06	184.49	137.29
		796.86	485.77
Earnings before Finance cost, Depreciation, Amortisation and Tax		191.28	182.18
Depreciation and Amortisation	3.07	202.29	118.91
Impairment of Tangible / Intangible Assets		8.07	3.83
Finance Cost	3.08	92.52	46.14
Profit / (Loss) before Prior Period Items, Exceptional items and Tax		(111.60)	13.30
Prior Period Expenses (Net)	4.08	3.05	0.76
Exceptional Items	3.09	10.60	9.34
Net Profit / (Loss) before Tax		(125.25)	3.20
Tax Expense:			
Current Tax		-	-
Deferred Tax	2.11	-	-
Net Profit / (Loss) for the Year from Continuing Operations		(125.25)	3.20
Earnings per equity share (nominal value of share ₹ 10 each) from Continuing and Total operation	4.15		
Weighted Average Number of Shares - Basic		148,182,162	143,173,200
Earning / (Loss) Per Share (In ₹) - Basic		(8.45)	0.22
Weighted Average Number of Shares - Diluted		148,182,162	143,248,990
Earning / (Loss) Per Share (In ₹) - Diluted		(8.45)	0.22
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

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

For and on behalf of the Board

(VIREN THAKKAR)
Partner**(GANAPATHY SUBRAMANIAM)**
Chief Financial Officer**(JAGDISH KUMAR G PILLAI)**
Managing Director & CEO**(AJAY SINGH)**
Company Secretary & Compliance Officer**(VINAYAK AGGARWAL)**
DirectorMumbai
Dated: May 29, 2014Mumbai
Dated: May 29, 2014

CASH FLOW STATEMENT for the year ended March 31, 2014

(₹ in Crores unless otherwise stated)

	Year ended March 31, 2014	Year ended March 31, 2013
1 CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT / (LOSS) BEFORE TAX & PRIOR PERIOD	(125.25)	3.20
ADJUSTMENTS		
A Adjustment for :		
Depreciation & Amortisation	202.29	118.91
Impairment of Tangible / Intangible Assets	8.05	3.81
Amount No Longer Payable Written Back	(0.26)	(1.80)
Provision for Bad & Doubtful Debts (Net)	41.25	38.18
Provision for Bad & Doubtful Advances	0.46	0.68
Provision for leave encashment and gratuity	1.38	0.96
Loss Share of Profit / Loss in Partnership Firm	0.52	-
Employee Compensation Expense	-	0.29
Unrealised foreign exchange loss	2.49	(0.26)
Provision for Doubtful Advances / Investments / Receivables from Entities Under Control / Significant Influence	10.79	4.66
Provision for Entertainment Tax of earlier years	-	4.83
Reversal of Interest for FY 2011-12 pursuant to MCA Circular dated August 9, 2012	-	(5.15)
(Profit) / loss on sale of Fixed Assets	4.31	3.89
Interest and Finance Charges	76.97	35.80
Income from Investments	(4.39)	(3.79)
(Profit) / loss on sale of Investments	(2.45)	(3.31)
	341.41	197.70
Operating Profit Before Working Capital	216.16	200.90
B Change in Working Capital		
(Increase) / Decrease in Inventories	(0.22)	(0.43)
(Increase) / Decrease in Trade Receivables	(160.93)	(107.37)
(Increase) / Decrease in Loans & Advance	(72.69)	(78.14)
Increase / (Decrease) in Liabilities & Provisions	65.66	29.49
	(168.18)	(156.45)
Cash Generated from Operations	47.98	44.45
Taxes paid (Net)	(20.80)	(8.66)
Net Cash from Operation Activities	27.18	35.79
2 CASH FLOW FROM INVESTING ACTIVITIES:		
Income from Investments	3.37	3.62
Sale Proceeds of Fixed assets	0.24	0.28
Payment for Fixed Assets	(607.56)	(359.46)
Loans & Advance in Subsidiaries (Net)	0.58	(1.21)
Investment in Subsidiaries	(15.38)	(32.72)
Purchase of Other Investments	(184.87)	(117.33)
Net Sale Proceeds of Other Investments	187.32	127.30
Net cash flow from/ (used in) Investing activity	(616.30)	(379.52)

CASH FLOW STATEMENT for the year ended March 31, 2014 (Contd.)

(₹ in Crores unless otherwise stated)

	Year ended March 31, 2014	Year ended March 31, 2013
3 CASH FLOW FROM FINANCING ACTIVITIES		
Interest and Finance Charges	(70.26)	(33.82)
Issue of Share Capital (Including Premium)	249.45	3.70
Share Issue Expenses	(1.79)	-
Preference Shares redeemed	-	(0.05)
Long term Loan borrowed	589.67	358.51
Long term Loan repaid	(198.38)	(75.53)
Short Term Borrowings (Net)	12.71	38.89
Net cash flow from/ (used in) Financing activity	581.40	291.70
Net increase in Cash and Cash equivalent	(7.72)	(52.03)
Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year	10.67	62.70
Cash & Cash equivalents (Net of Book Overdraft) at the end of year	2.95	10.67
Components of cash and cash equivalents		
Balances with banks:		
In Current Accounts	1.09	0.70
Cash in hand	1.86	9.97
Total cash and cash equivalents	2.95	10.67

Note:

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

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(VIREN THAKKAR)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & CEO

(AJAY SINGH)
Company Secretary & Compliance Officer

(VINAYAK AGGARWAL)
Director

Mumbai
Dated: May 29, 2014

Mumbai
Dated: May 29, 2014

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Company overview

Hathway Cable and Datacom Limited (the Company) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is Multi System Operator (MSO) engaged in distribution of television channels through analog and digital cable distribution network and internet services through cable. Its equity shares are listed on National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange Limited (BSE) in India.

1.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.01 METHOD OF ACCOUNTING AND BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, on the basis of going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of services rendered by the Company and realisation of consideration in cash and cash equivalents, the Company has ascertained its Operating Cycle as less than 12 months for the purpose of current – non-current classification of assets and liabilities.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.02 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenue and expenses during the reported period. Such estimates are on a reasonable and prudent basis taking into account all available information; actual results could differ from estimates. Differences on account of revision of estimates actual outcome and existing estimates are recognised prospectively once such results are known / materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

1.03 FIXED ASSETS

a) Tangible Assets

- (i) The fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, non refundable taxes and all expenses incurred in bringing the assets to its present location and condition for its intended use and includes installation and commissioning expenses. Such indirect expenditure incurred during the pre-commencement period is allocated proportionately over the cost of the relevant assets.
- (ii) Set Top Boxes (STBs) and Internet Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalised or treated as sale as the case may be.
- (iii) Gains or losses arising from de-recognition of fixed assets being the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

b) Intangible Assets

- (i) Intangible assets are recognised 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 amortisation and impairment losses.
- (ii) The amortisation period and the amortisation method are reviewed at least at each financial year-end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

- (iii) Intangible assets comprises of Cable Television Franchise, Movie & Serial Rights, Bandwidth Rights, Goodwill and Softwares.
 - (iv) Cable Television Franchisee represents purchase consideration of a network that mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.
- c) Fixed Assets not in active use and held for sale are classified under “Other Current Assets” and are recognised at the lower of their carrying amount or market value less cost to sell

1.04 DEPRECIATION / AMORTISATION

- a) Depreciation on tangible fixed assets, except STBs, is computed on written down value method, at the rates prescribed in Schedule XIV to the Companies Act, 1956. 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.
- b) The cost of STBs are depreciated on straight-line method over a period of eight years except STBs deployed in Conditional Access System (CAS) notified areas. Such STBs are depreciated over a period of five years.
- c) The intangible assets are amortised on a straight line basis over their expected useful lives as follows:
 - (i) Cable Television Franchise is amortised over a period of twenty years.
 - (ii) Non Compete Fees classified as Goodwill is amortised over the non-compete period stated in the underlying agreements and in absence of the same, over ten years.
 - (iii) Goodwill arising on transfer of business from subsidiaries is fully amortised in the same year.
 - (iv) Goodwill other than mentioned above is amortised over the specific tenor of the relevant agreement and in absence of such tenor, over ten years.
 - (v) Softwares are amortised over the license period and in absence of such tenor, over five years.
 - (vi) Movie Rights are amortised on exploitation over the balance license period in equal installments.
 - (vii) Bandwidth Rights are amortised over the period of the underlying agreements.

1.05 INVESTMENTS

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

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

a) Long-Term Investments

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

b) Current Investments

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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.06 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 realisable value.

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

1.07 BORROWING COSTS

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

1.08 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

1.09 EMPLOYEE BENEFITS

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

1.10 EMPLOYEE STOCK OPTION SCHEME

Stock options granted under the stock options schemes are accounted as per the accounting treatment prescribed by the guidance note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India and SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Accordingly, the excess of fair price on the date of grant over the exercise price is recognised uniformly over vesting period of the option.

1.11 ACCOUNTING FOR LEASES

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

a) **As Lessee – Operating Lease**

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

b) **As Lessor – Operating Lease**

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

c) **As Lessee – Finance Lease**

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

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

1.12 REVENUE RECOGNITION

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

INCOME FROM SERVICES

- a) Subscription income includes subscription from Subscribers / Cable Operators relating to cable TV, Internet, activation of devices and from broadcasters relating to the placement of channels. Revenue from Operations is recognised on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties except to the extent stated against (d) hereunder.
- b) Revenue from prepaid Internet Service plans, which are active at the end of accounting period, is recognised on time proportion basis. In other cases of prepaid Internet Service plans, entire revenue is recognised in the year of sale.
- c) The revenue relating to Conditional Access System (CAS), which was in force in certain part of Mumbai and Delhi till introduction of Digital Addressable System (DAS) is governed by TRAI and the same is recognised in accordance with prescribed regulations.

The revenue relating to Digital Addressable System (DAS) is governed by TRAI and the same is to be recognised in accordance with prescribed regulations. (Refer Note No. 4.22)

- d) Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the Company. In cases where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Company recognises revenue as per invoice raised. Adjustments for the year, if any, arising on settlement is adjusted against the Revenue. Other cases are reviewed by the management periodically.
- e) Advertisement revenue is accrued on the release of the advertisements for public viewing. Marketing support fees is recognised based on underlying terms of agreement and proportionately with the degree of completion of services under such agreement.
- f) Lease rentals are recognised on accrual basis over the terms of related agreements.
- g) The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

SALE OF GOODS

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

OTHER OPERATING INCOME

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

INTEREST INCOME

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

1.13 TAXATION

- a) Provision for Current Tax is made on the basis of taxable profits computed for the current accounting year in accordance with the Income Tax Act, 1961.
- b) Deferred Tax is calculated at the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognised on timing difference that originate in one period and are capable of reversal in

one or more subsequent periods. Deferred Tax assets are recognised on carry forward of unabsorbed depreciation and tax losses, only if, there is virtual certainty that such deferred tax assets can be realised against future taxable income. Other deferred tax assets are recognised only to the extent that there is a reasonable certainty of realisation in future.

1.14 FOREIGN CURRENCY TRANSACTIONS

- a) Foreign currency transactions are recorded at the exchange rate prevailing at the date of transactions. Exchange difference arising on settlement of transactions is recognised as income or expense in the year in which they arise except for transactions covered under (c) below.
- b) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at the year-end rate and difference in translations and realised gains / (losses) on foreign currency transactions are recognised in the statement of profit & loss except for transactions covered under (c) below.
- c) The exchange difference in respect of long-term monetary items arising in respect of accounting period commencing on or after December 07, 2006 to the extent they relate to the acquisition of depreciable capital assets are added to or deducted from the cost of the assets and are depreciated over the balance life of the assets.
- d) The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

1.15 EARNINGS PER SHARE (EPS)

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

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

1.16 IMPAIRMENT

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

1.17 MEASUREMENT OF EBITDA

The Company has elected to present Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

1.18 CASH AND CASH EQUIVALENTS

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

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.01 SHARE CAPITAL	As at March 31, 2014	As at March 31, 2013
SHARE CAPITAL		
Authorised Capital		
199,800,000 (March 31, 2013: 199,800,000) Equity Shares of ₹ 10 (10) each	199.80	199.80
200,000 (March 31, 2013: 200,000) Non- Cumulative Redeemable Preference Shares of ₹ 10 (10) each	0.20	0.20
	200.00	200.00
Issued, Subscribed and Paid up Capital		
151,998,900 (March 31, 2013: 143,173,200) Equity Shares of ₹ 10(10) each fully paid-up	152.00	143.17
	152.00	143.17

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

(₹ in Crores unless otherwise stated)

	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2013
	Number	Amount	Number	Amount
Equity Shares of ₹ 10 each				
Shares Outstanding at the beginning of the year	143,173,200	143.17	142,857,100	142.86
Shares Issued during the year under ESOP	29,700	0.03	316,100	0.31
Shares Issued during the year under Preferential allotment	8,796,000	8.80	-	-
Shares Bought back/ Other movements during the year	-	-	-	-
Shares Outstanding at the end of the year	151,998,900	152.00	143,173,200	143.17
0% Non-Cumulative Redeemable Preference Shares of ₹ 10 each				
Shares Outstanding at the beginning of the year	-	-	48,000	0.05
Shares Issued during the year	-	-	-	-
Shares Redeemed during the year	-	-	48,000	0.05
Shares Outstanding at the end of the year	-	-	-	-

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

	As at March 31, 2014	As at March 31, 2013
	No. of Shares	No. of Shares
Bonus Shares		
Equity shares of ₹ 10 each allotted as fully paid bonus shares by capitalisation of Securities Premium Account in the year 2009-2010	74,236,874	74,236,874
	74,236,874	74,236,874

NOTES TO THE FINANCIAL STATEMENTS

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

	As at March	As at March	As at March	As at March
	31, 2014	31, 2014	31, 2013	31, 2013
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 10 each				
Mr. Akshay Raheja	24,282,600	15.98	24,282,600	16.96
Mr. Viren Raheja	23,910,600	15.73	23,910,600	16.70
Hathway Investments Private Limited	16,369,003	10.77	14,964,003	10.45
Providence Equity Advisors Mauritius Limited	14,143,552	9.31	14,143,552	9.88
Macquarie Bank Limited	10,556,644	6.95	10,556,644	7.37
Reliance Capital Trustee Co. Limited	-	-	12,145,942	8.48
Spur Cable and Datacom Private Limited	7,650,000	5.03	7,650,000	5.34

d) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

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

e) Shares reserved for issue under options

161,299 number of equity shares (as at March 31, 2013 : 265,299 equity shares) of ₹ 10 each towards outstanding employees stock option granted/ available for grant. (Refer Note 4.07)

(₹ in Crores unless otherwise stated)

2.02 RESERVES & SURPLUS

	As at March	As at March
	31, 2014	31, 2013
Securities Premium		
Balances as at the beginning of the year	1,204.86	1,199.97
Add: Securities premium credited on Share issue	241.47	4.89
Less: Deduction during the year	1.79	-
Balances as at the end of the year	1,444.54	1,204.86
Employee Stock Options Outstanding Account		
Balances as at the beginning of the year	1.28	2.49
Add: Compensation for options during the year (net)	-	0.29
Less: Deduction during the year	0.50	1.50
Balances as at the end of the year	0.78	1.28
Surplus/ (Deficit) In the Statement of Profit and Loss		
Balance at the beginning of the year	(547.91)	(551.11)
Add : Net Profit/ (Loss) for the year	(125.25)	3.20
Less : Appropriations	-	-
Deficit in the Statement of Profit and Loss	(673.16)	(547.91)
	772.16	658.23

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.03 LONG TERM BORROWINGS	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Term Loans				
Secured				
From Banks	63.75	28.33	7.50	32.67
From Financial Institutions	112.50	13.04	43.75	26.91
From Others	189.67	179.87	40.53	4.42
External Commercial Borrowings				
Secured	-	-	-	0.82
Buyers Credit				
Secured	328.45	200.28	132.83	41.36
Deferred payment liabilities				
Secured	-	-	-	81.60
Finance Lease Obligations				
Secured	107.09	55.79	49.98	7.00
Vehicle Loans from Banks				
Secured	-	-	-	0.02
	801.46	477.31	274.59	194.80
Amount disclosed under the head 'Other Current Liabilities' (Note No. 2.06)				
- Current maturities of Long-Term Debts	-	-	224.61	187.80
- Current maturities of Finance Lease Obligations	-	-	49.98	7.00
Net Amount	801.46	477.31	-	-
The above amount includes				
Aggregate amount of Secured Borrowings	801.46	477.31	-	-

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

Nature of Security		Terms of Repayment
i	Term Loan from Banks	
a)	Terms loan from Yes Bank Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 37.50) were secured by, 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company. 3) undertaking given by promoters of the Company for non-disposal of their shareholding in the Company so long as Term Loan is outstanding.	The loan was prepaid during the year.
b)	Terms loan from ICICI Bank Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 6.00) were secured by pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	The loan was prepaid during the year.
c)	Terms loan from Bank of India Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 17.50) were secured by, 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company.	The loan was prepaid during the year.

NOTES TO THE FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
<p>d) Terms loan from HDFC Bank Ltd. amounting to ₹ 56.25 (March 31, 2013: ₹ NIL) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company. 	<p>Principal repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown. Interest is payable on monthly basis. Applicable Rate of Interest is HDFC Bank Base rate + 2.55%.</p>
<p>e) Terms loan from ING Bank Ltd. amounting to ₹ 15.00 (March 31, 2013: ₹ NIL) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company. 	<p>Principal repayable on completion of 3 years from the date of drawdown. Interest is payable on monthly basis. Applicable Rate of Interest is ING Vysya Bank Base rate + 1.95%.</p>
<p>ii Term Loan from Financial Institutions</p>	
<p>a) Terms loan from IDFC Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 18.07) were secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature. 4) First charge on the uncalled capital of the Company. 5) Lien on NIL (March 31, 2013: 3,500,000 units of IDFC Fixed Term Plan Series 13- Regular Plan- Growth) 	<p>The loan was prepaid during the year.</p>
<p>b) Terms loan from IDFC Ltd. amounting to ₹ 6.25 (March 31, 2013: ₹ 21.88) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature. 4) First charge on the uncalled capital of the Company. 5) Lien on Fixed Deposits with Bank of ₹ 2.70 (March 31, 2013: ₹ 2.70) 	<p>Principal repayable in 16 equal quarterly installments of ₹ 3.13 commencing at the end of 12 months from the date of first disbursement (March 15, 2011). Interest is payable on monthly basis at 1 year IDFC Benchmark rate + 3.25% (March 31, 2012: 1 year IDFC Benchmark rate + 3.50%).</p>
<p>c) Terms loan from IDFC Ltd. amounting to ₹ 150.00 (March 31, 2013: ₹ NIL) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 3) pari passu first charge on present & future book debts, operating cash flows, receivables, revenues of whatsoever nature. 4) First charge on the uncalled capital of the Company. 5) Lien on Fixed Deposits with Bank of ₹ 18.64 (March 31, 2013: ₹ NIL) 	<p>Principal repayable in 16 equal quarterly installments of ₹ 9.38 commencing from April 15, 2014. Interest is payable on monthly basis at 3 year IDFC Benchmark rate + 3% (March 31, 2013: NIL).</p>

NOTES TO THE FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
iii Term Loan from others	
a) Terms loan from HDFC Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 9.29) were secured by, pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	The loan was prepaid during the year.
b) Terms loan from HDFC Ltd. amounting to ₹ 142.70 (March 31, 2013: ₹ 125.00) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company.	Principal repayable in 16 equal quarterly installments of ₹ 12.17 along with Interest commencing from May 23, 2014. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC PLR - 4.50%.
c) Terms loan from GE Money Financial Services Pvt. Ltd. amounting to ₹ 87.50 (March 31, 2013: ₹ 50.00) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company.	Principal repayable in 16 equal quarterly installments of ₹ 6.25 each commencing at the end of 15 months from the date of drawdown done in 4 tranches. Interest is payable on Monthly basis. Applicable Interest rate is SBI Base Rate + 2.80%.
iv External Commercial Borrowings	
a) External Commercial Borrowings from Banks amounting to ₹ NIL (March 31, 2013: ₹ 0.82) were secured by, pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	The loan was repaid during the year.
v Buyers Credit	
a) Buyers Credit from Axis Bank Ltd. amounting to ₹ 202.70 (March 31, 2013: ₹ 75.91) are secured by, (Out of the same ₹ 98.10 (March 31, 2013 ₹ 16.81) is a sub-limit of Term loan of ₹ 100.00) hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future.	Principal repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown. (An amount of ₹ 98.10 (March 31, 2013 ₹ 16.81) is a sub-limit of Term loan sanctioned of ₹ 100.00 repayable in 12 equal quarterly instalments from the 27th month of opening of capex LC either in the form of cash margin or actual repayment i.e. (May 11, 2015).
b) Buyers Credit from Yes Bank Ltd. amounting to ₹ 134.72 (March 31, 2013: ₹ 110.10) are secured by, 1) pari passu hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future. 2) Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit & additional 10% at the end of 2 years.	Principal repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.

NOTES TO THE FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
<p>c) Buyers Credit from ING Vysya Bank Limited amounting to ₹ 28.23 (March 31, 2013: ₹ 12.69) (Out of the same ₹ 14.98 {March 31, 2013 ₹ NIL} is fungible with term loan of ₹ 100.00) are secured by,</p> <p>1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.</p> <p>2) pari passu hypothecation of the present & future Current Assets of the Company.</p>	Principal repayable with Interest on completion of 3 years from the date of drawdown. Interest is payable on half yearly basis. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.
<p>d) Buyers Credit from ING Bank N.V., Singapore amounting to ₹ 95.64 (March 31, 2013: ₹ 42.94) are secured by,</p> <p>1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.</p> <p>2) pari passu hypothecation of the present & future Current Assets of the Company.</p>	Principal repayable on completion of 3 years from the date of underlying shipment/drawdown. Applicable Rate of Interest is 6 months JPY LIBOR + 3.50% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.
vi Deferred payment liabilities	
<p>a) Deferred payment liabilities amounting to ₹ NIL (March 31, 2013: ₹ 81.60):</p> <p>1) Ericsson Television Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 19.76) were secured by Usance Letter of Credit issued by a bank.</p> <p>2) NDS Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 61.84) were secured by Usance Letter of Credit issued by a bank.</p>	<p>The liability was paid during the year.</p> <p>The liability was paid during the year.</p>
vii Finance Lease Obligations	
Cisco System Capital (India) Pvt. Ltd. - Finance Lease amounting to ₹ 157.07 (March 31, 2013: ₹ 62.79) secured by hypothecation of underlying assets taken on lease	Principal with Interest is payable in quarterly installments over the period of 5 years from inception of lease agreement. Applicable Rate of Interest varies between 9% - 10% p.a.
viii Vehicle Loans from Banks	
Vehicle Loans amounting to ₹ NIL (March 31, 2013: ₹ 0.02) were secured by Hypothecation of Vehicles.	The loan was repaid during the year.

(b) Details of long-term borrowings guaranteed by directors :

(₹ in Crores unless otherwise stated)

Particulars	As at March 31, 2014	As at March 31, 2013
Term loans from banks		
Term loan from ICICI Bank Ltd.	-	6.00
Term loans from Financial Institutions		
Terms loan from IDFC Ltd	-	18.07
Term loans from others		
Terms loan from HDFC Ltd.	-	9.29

(₹ in Crores unless otherwise stated)

2.04 OTHER LONG-TERM LIABILITIES	As at March 31, 2014	As at March 31, 2013
Others		
Income received in advance (Refer Note No. 2.06)	0.01	0.64
Security Deposits (Refer Note No. 2.06)	11.23	9.25
	11.24	9.89

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.05 SHORT TERM BORROWINGS	As at March 31, 2014	As at March 31, 2013
Loans repayable on demand		
Secured		
Working Capital Loans repayable on demand from a bank	6.00	13.00
Cash Credit with banks	46.67	26.96
	52.67	39.96

(a) Nature of Security for secured borrowings :

Nature of Borrowing	Nature of Security
i a) Working Capital Demand Loan from ING Vysya Bank Ltd. outstanding ₹ 6.00 (March 31, 2013: ₹ 13.00)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
ii a) Cash Credit with Axis Bank Ltd outstanding ₹ 40.49 (March 31, 2013: ₹ 21.81)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
b) Cash Credit with Yes Bank Ltd amounting to ₹ 6.18 (March 31, 2013: ₹ 5.15)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.

(₹ in Crores unless otherwise stated)

2.06 OTHER CURRENT LIABILITIES	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Trade Payables				
Micro and Small Enterprises*	-	-	-	0.02
Others	-	-	107.05	68.90
	-	-	107.05	68.92
Current maturities of Long-Term Debts (Refer note no. 2.03)	-	-	224.61	187.79
Current maturities of Finance Lease Obligations (Refer note no. 2.03)	-	-	49.98	7.00
Interest accrued but not due on borrowings	-	-	5.63	3.45
Income received in advance	0.01	0.64	38.61	36.10
Statutory Payables	-	-	31.31	23.12
Payables - Capital Expenditure	-	-	72.19	171.61
Employee Payables	-	-	3.82	4.58
Gratuity (Funded Plans)	-	-	-	0.45
Security Deposits	11.23	9.25	0.41	0.01
Advance from Customers	-	-	15.31	9.67
Other Liabilities	-	-	27.09	14.62
	11.24	9.89	468.96	458.40
Amount disclosed under 'Other long-term liabilities' (Note No. 2.04)	11.24	9.89	-	-
	-	-	576.01	527.32

* The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under :

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at March 31, 2014	As at March 31, 2013
Principal amount due and remaining unpaid	-	0.02
Interest due on above and the unpaid Interest (Rupees NIL (March 31, 2013 : Rupees 22,813))	-	0.00
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay (Rupees NIL (March 31, 2013 : Rupees 22,813))	-	0.00
Interest accrued and remaining unpaid (Rupees NIL (March 31, 2013 : Rupees 22,813))	-	0.00
Amount of further interest remaining due and payable in succeeding year (Rupees NIL (March 31, 2013 : Rupees 12,199))	-	0.00

(₹ in Crores unless otherwise stated)

2.07 SHORT TERM PROVISIONS

	Short-term	
	As at March 31, 2014	As at March 31, 2013
Provision for Employee Benefits		
Leave Encashment	4.00	5.78
Other Employee Benefits	3.16	-
	7.16	5.78

NOTES TO THE FINANCIAL STATEMENTS

FIXED ASSETS

	Gross Block (at Cost)			Depreciation/Amortisation/Impairment			Net Block	
	As at 01-04-2013	Additions during the year	Deductions during the year	As at 01-04-2013	Additions during the year*	Deductions during the year	As at 31-3-2014	As at 31-03-2013
2.08 TANGIBLE ASSETS								
Own Assets:								
Plant and Machinery	1,133.87	355.57	72.08	405.91	171.39	69.78	507.51	909.85
Air Conditioners	3.13	1.17	0.03	1.95	0.27	0.03	2.20	2.07
Structural Fittings [^]	2.58	0.04	0.01	0.89	0.09	-	0.98	1.63
Furniture & Fixtures	9.22	2.67	0.03	6.87	0.63	0.01	7.50	4.36
Mobile, Pagers & Telephones ^{^^}	1.70	0.04	-	1.21	0.07	-	1.28	0.46
Computers	12.23	1.20	0.02	10.83	0.81	0.02	11.62	1.79
Office Equipments ^{^^^}	2.48	0.41	-	1.33	0.19	-	1.52	1.38
Electrical Fittings	2.70	0.53	0.01	1.76	0.18	0.01	1.94	1.28
Motor Vehicles	1.78	0.22	0.63	1.41	0.10	0.51	1.00	0.37
Movie Master Tapes ^{^^^^}	0.18	-	-	0.17	-	-	0.17	0.01
Assets Taken on Finance Lease:								
Plant and Machinery	87.71	113.74	-	16.01	14.47	-	30.48	170.96
Total	87.71	113.74	-	16.01	14.47	-	30.48	170.96
Previous Year	1,257.58	475.59	72.81	448.34	188.20	70.36	566.20	809.23
	911.82	437.71	91.96	422.50	111.97	86.14	448.34	489.32
Capital Work in Progress:								
Total	-	-	-	-	-	-	-	198.82
Previous Year	-	-	-	-	-	-	-	198.82
								95.15

* Additions to Depreciation includes Impairment of Plant and Machinery ₹ 7.53 (March 31, 2013: ₹ 3.24)

[^] Deduction in Depreciation during the year includes Rupees 3,574

^{^^} Deduction in Gross Block during the year includes Rupees 12,200 & deduction in Depreciation during the year includes Rupees 3,974.

^{^^^} Deduction in Gross Block during the year includes Rupees 5,500 & deduction in Depreciation during the year includes Rupees 63.

^{^^^^} Addition in Depreciation during the year includes Rupees 11,989.

2.09 INTANGIBLE ASSETS

	Gross Block (at Cost)			Depreciation/Amortisation/Impairment			Net Block	
	As at 01-04-2013	Additions during the year	Deductions during the year	As at 01-04-2013	Additions during the year**	Deductions during the year	As at 31-03-2014	As at 31-03-2013
2.09 INTANGIBLE ASSETS								
Goodwill	26.80	5.35	-	25.86	0.62	-	26.49	5.66
Cable Television Franchisee	73.63	0.75	1.30	30.32	4.12	1.30	33.14	39.94
Movie & Serial Rights	3.92	3.01	-	1.98	3.95	-	5.92	1.01
Softwares	49.16	20.61	0.01	12.30	11.89	0.01	24.18	45.59
Bandwidth Rights	5.80	8.34	-	1.84	1.57	-	3.41	10.73
Total	159.31	38.06	1.31	72.30	22.15	1.31	93.14	102.93
Previous Year	122.79	37.48	0.95	62.35	10.74	0.79	72.30	87.02
** Additions to Amortisation includes Impairment of Cable Television Franchisee ₹ 0.52 (Previous Year ₹ 0.57) & Software ₹ 0.01 (Previous Year ₹ NIL)								
[^] Range of remaining period of amortisation of Intangible Assets above under 5 to 10 year includes Rupees 5,652.								

Note :

Range of remaining period of amortisation of Intangible Assets is as below :	0 to 5 Year	5 to 10 Year	10 to 15 Year	15 to 20 Year	Total WDV
Goodwill	3.39	2.28	-	-	5.66
Cable Television Franchisee	17.22	13.91	8.41	0.40	39.94
Movie & Serial Rights [^]	1.01	-	-	-	1.01
Softwares	45.59	-	-	-	45.59
Bandwidth Rights	4.14	3.84	2.74	-	10.73

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

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

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.10 NON-CURRENT INVESTMENTS	Face Value	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2013
	₹ Per Unit	Quantity	Amount	Quantity	Amount
Trade investments (valued at cost)					
Quoted equity instruments					
Investment in Equity Shares of Subsidiaries					
Hathway Bhawani Cabletel and Datacom Ltd.	10	1,920,000	2.28	1,920,000	2.28
			2.28		2.28
Unquoted equity instruments					
Investment in Equity Shares of Subsidiaries					
GTPL Hathway Pvt. Ltd. (formally known as Gujarat Telelink Pvt. Ltd.)	10	1,000,000	166.26	846,500	147.07
Hathway Datacom Central Pvt. Ltd. (formally known as Hathway Bhaskar Multinet Pvt. Ltd.)	10	1,374,400	85.91	1,174,400	55.91
Hathway Sai Star Cable & Datacom Pvt. Ltd.	10	68,850	27.09	68,850	27.09
Hathway Sonali Om Crystal Cable Pvt. Ltd.	10	51,000	16.36	51,000	16.36
Hathway Rajesh Multi Channel Pvt. Ltd.	10	144,849	7.44	144,849	7.44
Hathway New Concept Cable & Datacom Pvt. Ltd.	10	25,500	7.14	25,500	7.14
Hathway MCN Pvt. Ltd.	10	963,000	8.01	924,750	7.63
Hathway Channel 5 Cable & Datacom Pvt. Ltd. ##	10	249,000	6.28	249,000	6.28
Hathway Media Vision Pvt. Ltd.	10	65,040	5.92	65,040	5.92
Hathway Krishna Cables Pvt. Ltd.	10	5,235,000	17.05	4,860,000	4.86
Hathway Dattatray Cable Network Pvt. Ltd.	10	20,400	4.05	20,400	4.05
Hathway Kokan Crystal Network Pvt. Ltd.	10	49,394	3.66	27,990	2.30
Ideal Cables Pvt. Ltd. ##	10	76,020	2.22	76,020	2.22
Net 9 Online Hathway Pvt. Ltd.	10	5,000	2.01	5,000	2.01
Hathway Cable MCN Nanded Pvt Ltd	10	1,305,717	1.31	1,305,717	1.31
Channels India Network Pvt. Ltd. ##	10	87,500	1.09	87,500	1.09
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	10	51,000	0.92	51,000	0.92
Vision India Networks Pvt. Ltd. ##	10	87,700	0.74	87,700	0.74
Hathway Palampur Cable & Datacom Pvt. Ltd.	10	15,300	0.68	15,300	0.68
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	10	10,200	0.66	10,200	0.66
Hathway C-Net Pvt. Ltd. ##	10	100,000	0.60	100,000	0.60
Chennai Cable Vision Network Pvt. Ltd. ##	10	136,800	0.56	136,800	0.56
Hathway Nashik Cable Network Pvt. Ltd. ##	10	45,300	0.45	45,300	0.45
Hathway ICE Television Pvt. Ltd. ##	10	102,000	0.41	102,000	0.41
Bee Network & Communication Pvt. Ltd. ##	10	99,989	0.40	99,989	0.40
Hathway Mysore Cable Network Pvt. Ltd.	10	523,100	3.64	292,100	0.29
UTN Cable Communications Pvt. Ltd.	10	375,500	2.76	25,500	0.26
Hathway Prime Cable & Datacom Pvt. Ltd.	10	229,500	0.23	229,500	0.23
Win Cable and Datacom Pvt. Ltd. ##	10	200,000	0.20	200,000	0.20
Hathway Software Developers Pvt. Ltd.	10	268,000	2.20	195,000	0.20
Elite Cable Network Pvt. Ltd. ##	10	48,000	0.05	48,000	0.05
Hathway Space Vision and Cabletel Pvt. Ltd. ##	10	10,020	0.01	10,020	0.01
Hathway Enjoy Cable Network Pvt. Ltd.	10	10,000	0.01	10,000	0.01
Hathway Gwalior Cable & Datacom Pvt. Ltd.##	10	10,000	0.01	10,000	0.01
Hathway JMD Farukabad Cable & Datacom Pvt. Ltd.	10	10,000	0.01	10,000	0.01
Binary Technology Transfers Pvt. Ltd. ##	100	1,000	0.01	1,000	0.01
Hathway Internet Satellite Pvt. Ltd. ##	10	10,000	0.01	10,000	0.01
Hathway United Cables Pvt. Ltd. ##	10	10,000	0.01	10,000	0.01

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.10 NON-CURRENT INVESTMENTS	Face Value	As at March 31, 2014		As at March 31, 2013	
		₹ Per Unit	Quantity	Amount	Quantity
Hathway Universal Cabletel and Datacom Pvt. Ltd. ##	100	1,000	0.01	1,000	0.01
ITV Interactive Media Pvt. Ltd. ##	100	8,250	0.08	1,000	0.01
Liberty Media Vision Pvt. Ltd. ##	10	10,000	0.01	10,000	0.01
Hathway Mantra Cable & Datacom Pvt. Ltd.	10	9,800	0.01	9,800	0.01
			376.48		305.44
Less : Provision for diminution in value			13.15		4.39
			363.33		301.05
Investment in Equity Shares of Joint Venture					
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	10	71,075	4.02	71,075	4.02
			4.02		4.02
Investment in Equity Shares of Associates					
Hathway VCN Cablenet Pvt. Ltd. ##	10	12,520	0.10	12,520	0.10
Pan Cable Services Pvt. Ltd. ## (Rupees 100 (March 31, 2013; Rupees 100))	10	10	0.00	10	0.00
			0.10		0.10
Less : Provision for diminution in value			0.10		0.10
			-		-
Investment in Equity Shares of other Companies					
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	0.05	47,009	0.05
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd. ##	10	60,000	0.22	60,000	0.22
			0.27		0.27
Less : Provision for diminution in value			0.22		0.22
			0.05		0.05
Investment in Preference Shares of Subsidiary					
Hathway Datacom Central Pvt. Ltd. (formally known as Hathway Bhaskar Multinetv Pvt. Ltd.)	10	51,020	0.05	51,020	0.05
Investment in Limited Liability Partnership					
Hathway SS Cable & Datacom LLP			1.73		1.73
Others Investments (valued at cost)					
Quoted					
Investments in Units of Mutual Funds					
IDFC Fixed Term Plan Series 13- Regular Plan-Growth*	10		-	3,500,000	3.50
Unquoted					
Investment in Government Securities					
National Savings Certificates			0.15		0.14
Total Non-current Investments			371.61		312.82
Aggregate amount of quoted investments			2.28		5.78
Market Value of Quoted Investments			1.80		5.70
Aggregate amount of unquoted investments			369.31		307.02
Aggregate provision for diminution in value of investments			13.47		4.71

Fully provided for

* Includes Nil units (March 31, 2013: 3,500,000 units) where lien has been marked in favour of a Financial Institution

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.11 DEFERRED TAX ASSETS (NET)	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liabilities on		
a) Difference Between Book and Tax Depreciation	98.38	45.64
Deferred Tax Assets on		
a) Unabsorbed Depreciation Losses *	98.38	45.64
NET DEFERRED TAX ASSETS	-	-

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

(₹ in Crores unless otherwise stated)

2.12 TRADE RECEIVABLES	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	11.13	11.13	266.22	205.14
Doubtful Outstanding	92.51	62.21	-	-
	103.64	73.34	266.22	205.14
Less: Provision for doubtful trade receivables	91.43	60.89	-	-
	12.21	12.45	266.22	205.14
Outstanding for a period exceeding six months from the date they are due for payment			72.24	35.67
Other receivables			193.98	169.47
			266.22	205.14

(₹ in Crores unless otherwise stated)

2.13 LOANS AND ADVANCES	Long - Term		Short - Term	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
CAPITAL ADVANCES				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	0.75	0.81	-	-
Advance to Suppliers	22.96	18.17	-	-
Less: Provision for doubtful advances	0.51	0.51	-	-
	23.20	18.47	-	-
SECURITY DEPOSITS				
Unsecured, considered good				
Security Deposits	18.39	16.21	3.85	0.55
	18.39	16.21	3.85	0.55

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.13 LOANS AND ADVANCES (Contd.)	Long - Term		Short - Term	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
LOANS AND ADVANCES TO RELATED PARTIES				
Unsecured, considered good unless stated otherwise				
Advance to Subsidiaries	53.08	61.47	10.30	10.30
Advance to Firm in which Subsidiaries are partner	17.16	17.16	-	-
Advance to other Cable Ventures	6.10	6.10	-	-
Share Application Money	3.38	4.40	-	-
Less: Provision for doubtful loans and advances	64.30	64.59	-	-
	15.42	24.54	10.30	10.30
OTHER LOANS AND ADVANCES				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	3.95	3.39	14.12	10.08
Staff Advances	0.30	0.14	0.32	0.28
Staff Loan	0.03	0.44	0.42	0.07
Sundry Advances	3.94	2.00	39.27	25.98
Service Tax Claimable	-	-	51.64	52.92
Loans Given	0.33	0.41	0.03	0.03
Advance Income Tax (Net of Provision)	25.26	15.64	19.78	8.59
Less: Provision for doubtful loans and advances to others	2.46	1.79	-	-
	31.35	20.23	125.58	97.95
	88.36	79.45	139.73	108.81

(₹ in Crores unless otherwise stated)

Loans and advances due by directors or other officers, etc.,	Long - Term		Short - Term	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
The above include				
Dues from Director	-	0.14	-	-
	-	0.14	-	-

(₹ in Crores unless otherwise stated)

2.14 OTHER ASSETS	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise				
Non-current other bank balances (Note No. 2.16)	61.66	26.84	-	-
Other Receivables	-	-	0.64	7.97
Interest accrued but not due	-	-	1.02	0.56
Others	0.50	0.37	-	-
	62.16	27.21	1.66	8.53

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.15 INVENTORIES

	Current	
	As at March 31, 2014	As at March 31, 2013
Stock of Spares & Maintenance Items	1.73	1.51
	1.73	1.51

(₹ in Crores unless otherwise stated)

2.16 CASH AND BANK BALANCES

	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Cash & Cash Equivalents				
Balances with Banks:				
In Current Accounts	-	-	1.09	0.70
Cash in hand	-	-	1.86	9.97
	-	-	2.95	10.67
Other Bank Balance				
Margin money deposit*	61.66	26.84	-	-
	61.66	26.84	-	-
Less: Amount disclosed under non current asset (Refer Note 2.14)	61.66	26.84	-	-
	-	-	2.95	10.67

* Marked under lien in favour of Banks

(₹ in Crores unless otherwise stated)

3.01 REVENUE FROM OPERATIONS

	Year ended March 31, 2014	Year ended March 31, 2013
Sale of services		
Subscription Income	900.50	615.71
Rental Income on Equipments	3.66	8.27
Consultancy Income	3.08	6.50
Advertisement Income & Marketing Support Services	55.52	9.60
Commission Income	0.85	2.64
	963.61	642.72
Sale of products		
Sale of Access Devices	13.68	8.03
	13.68	8.03
Other operating revenues		
Other Operational Income	3.15	3.56
	3.15	3.56
	980.44	654.31

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.02 OTHER INCOME	Year ended March 31, 2014	Year ended March 31, 2013
Profit on Sale of Current Investments (Net)	2.45	3.31
Amount No Longer Payable Written Back	0.26	1.80
Interest on Fixed Deposits	3.92	2.95
Interest on Income Tax Refund	-	0.31
Gain on Foreign Exchange Fluctuation (Net)	-	4.16
Miscellaneous Income	0.60	0.27
Interest on Loans	0.47	0.84
	7.70	13.64

(₹ in Crores unless otherwise stated)

3.03 PURCHASE OF STOCK-IN-TRADE	Year ended March 31, 2014	Year ended March 31, 2013
Purchase of Access Device	13.01	10.99
	13.01	10.99

(₹ in Crores unless otherwise stated)

3.04 OPERATIONAL EXPENSES	Year ended March 31, 2014	Year ended March 31, 2013
Pay Channel Cost	325.88	170.42
Distribution Cost	79.49	40.43
Commission	31.09	20.40
Bandwidth & Lease Line Cost	18.82	15.74
Other Sundry Operational Cost	19.28	9.07
Repairs & Maintenance (Plant & Machinery)	23.51	16.23
Rent	11.70	10.59
LCO Revenue Share	18.06	-
Consultancy & Technical Fees	9.18	4.97
Feed charges	5.28	4.37
Software & Programming Cost	1.95	1.26
Freight & Octroi Charges	1.99	1.14
Hire Charges	0.86	0.67
	547.09	295.29

(₹ in Crores unless otherwise stated)

3.05 EMPLOYEE BENEFITS EXPENSE	Year ended March 31, 2014	Year ended March 31, 2013
Salaries & Bonus	47.39	37.12
Staff Welfare	2.69	2.33
Contribution to provident and other fund	2.19	2.46
Employee Stock Compensation Expense	-	0.29
	52.27	42.20

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.06 OTHER EXPENSES

	Year ended March 31, 2014	Year ended March 31, 2013
Service Charges	43.98	36.66
Bad Debts	10.71	8.51
Less: Transfer from Provision for Doubtful Debts	10.71	8.51
	-	-
Provision for Bad and Doubtful Debts	41.25	38.18
Electricity Expenses	13.16	11.00
Loss on Disposal / Shortage of Assets	4.31	3.89
Loss Share of Profit / Loss in Partnership Firm	0.52	-
Loss on Foreign Exchange Fluctuation (Net)	8.38	-
Rates & Taxes	15.47	7.83
Office Expenses	10.94	6.53
Legal & Professional Charges	10.43	4.88
Advertisement & Promotion Expenses	4.34	5.06
Conveyance	6.07	5.04
Repairs & Maintenance (Others)	2.85	2.59
Rent - Offices	6.50	4.67
Communication Charges	3.22	3.02
Travelling	4.51	1.81
Printing & Stationery	2.40	1.70
Miscellaneous Expenses	1.65	1.09
Business Promotion Expenses	0.86	0.93
Insurance Charges	1.38	0.37
Interest on Taxes	0.60	0.32
Provision for Bad & Doubtful Advances	0.46	0.68
Sundry Advances Written Off	0.19	0.02
Sitting Fees	0.13	0.14
Auditor's Remuneration		
- Statutory Audit Fees	0.50	0.33
- Tax Audit Fees	0.15	0.08
- Limited Review, Consolidation & Certification Fees	0.21	0.18
- Tax Representation Fees	-	0.02
- Other Consultancy Services	0.03	0.27
	184.49	137.29

(₹ in Crores unless otherwise stated)

3.07 DEPRECIATION AND AMORTISATION

	Year ended March 31, 2014	Year ended March 31, 2013
Depreciation on Tangible Assets	192.36	112.45
Amortisation of Intangible Assets	9.93	6.46
	202.29	118.91

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.08 FINANCE COST	Year ended March 31, 2014	Year ended March 31, 2013
Interest and Finance Charges	76.97	35.80
Bank Charges	15.55	10.34
	92.52	46.14

(₹ in Crores unless otherwise stated)

3.09 EXCEPTIONAL ITEMS *	Year ended March 31, 2014	Year ended March 31, 2013
Reversal of Interest being exchange differences arising from foreign currency borrowings for FY 2011-12 pursuant to MCA Circular dated August 9, 2012	-	(5.15)
Provision for Doubtful Advances / Investments / Receivables from entities Under Control / Significant Influence	10.60	4.66
Expenses on account of introduction of Digital Addressable System (DAS)	-	5.00
Provision for Entertainment Tax of earlier years	-	4.83
	10.60	9.34

* Refer Note 4.05

4.01 CONTINGENT LIABILITIES

(₹ in Crores unless otherwise stated)

- a) The Company has given a counter indemnity favouring the bankers to the extent of ₹ 3.90 (March 31, 2013: ₹ 9.20) for issue of Bank Guarantees on behalf of the Company to various authorities/parties.
- b) The Company has given Corporate Guarantees of ₹ 115.08 (March 31, 2013: ₹ 74.45) to Banks & ₹ 32.80 (March 31, 2013: ₹ 32.80) to Others towards various credit facilities given by the Bank & Others to some of its subsidiary companies.
- c) Few Boardcasters and the Company have made claims and counter claims against each other relating to pay channel cost. Claims of broadcasters amounting to ₹ 7.17 (March 31, 2013: ₹ 2.33) to the extent not settled, are disclosed under contingent liabilities as Claims against the Company not acknowledged as debts.
- d) The relevant Authority under the Karnataka Sales Tax / VAT had initiated proceeding to reassess the Company's liability for the financial years 2001-02 to 2008-09 on the argument that light energy created while using OFC network for the purposes of transmission is goods and hence liable to tax under relevant state legislation. On writ petition, the Karnataka High Court has held against the Company. On further appeal, the Honourable Supreme Court remanded the matter to the Tribunal. However, Sales Tax Tribunal did not entertain the appeal of the Company as no assessment was made.

The Assessing Officer, acting on Nil returns filed by the Company, has proposed to complete best judgment re-assessment to tax light energy as goods. This may result in approximate demand of ₹ 5.44 (March 31, 2013: ₹ 5.44). The Company has filed a detailed reply to the show cause notice issued by the assessing officer and the matter is pending.

However, the Company do not anticipate any liability in view of the recent Karnataka High Court decision in a petition filed by BSNL wherein it was held that Artificially Created Light energy is not goods.

- e) The Company has filed a petition before the Honourable Court of Andhra Pradesh challenging the vires of the amendment to the Andhra Pradesh Entertainment Tax Act, 1939 which has resulted in the levying of the Entertainment Tax on MSOs. The demand on the Company is ₹ 3.46 (March 31, 2013 : ₹ 3.46). The petition has been admitted and the levy and the action pursuant thereto have been ordered to be stayed.
- f) In the state of Andhra Pradesh, VAT authorities have considered Set Top Boxes deployed as sale and raised demand of ₹ 18.05 (March 31, 2013: Nil) for the period April 1, 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 being heard to the Company. On writ petition, Andhra Pradesh High Court has directed to initiate fresh proceedings.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

This demand is based on a advance ruling order given by the relevant authority. The Company, being an affected party, has filed review petition before the Advance ruling Authority and the matter has been admitted and heard but the decision is awaited.

- g) Pursuant to Circular dated December 17, 2012 issued by the Delhi Entertainment Tax Department, the MSOs have been made responsible for collection & payment of Entertainment Tax effective from the month of April'2013, while the Local Cable Operators (LCOs) continue to remain responsible for collection & payment of the tax up to the month of March'13. Further, the department has passed assessment order against the Company raising tax demand of ₹ 5.95 (including Penalty amount of ₹ 2.89 & interest amount of ₹ 0.07 for the m/o April'13 & May'13. Aggrieved by the said assessment order, the Company has challenged the vires of the above said amendment brought about by the Entertainment Tax department by way of issuing a Circular, instead of amending the charging section under the Act & filed a Writ Petition in the Hon'ble High Court of Delhi. The petition has been admitted and the levy of demand and the action pursuant thereto to have been ordered to be stayed. Further, pursuant to the undertaking given under duress to the department, to avoid the sealing of its control room at Delhi, the Company has deposited tax amount of ₹ 2.97 under protest & without prejudice to its rights & contentions including contentions made in its petition. The said amount is being shown as deposit in the accounts of the Company. Hence the balance ₹ 2.98 (March 31, 2013; ₹ Nil) included in Contingent Liability. The above matter is pending & subject to the outcome of the petition, the Company's liability may extend to the period beyond the same considered in assessment order.

h) Income Tax Matters

Particulars	2013-2014	2012-2013
Disputed Income Tax matter under appeal (Of the above an amounts of ₹ 1.99 has already been deposited with Income Tax Department)	3.99	3.99

- i) Other Claims against the Company not acknowledged as debts are as under:

Matters with	2013-2014	2012-2013
Disputes with Operators	2.67	2.85
Entertainment Tax Department	2.47	5.04
Other Statutory Departments	1.00	1.12
Disputes related with Copyrights	-	0.94
Total	6.14	9.94

4.02 CAPITAL AND OTHER COMMITMENTS:

Estimated amount of contracts (including acquisition of intangible assets net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ 122.67 (March 31, 2013: ₹ 278.89).

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

4.03 MATTERS RELATING TO SUBSIDIARIES:

- a) Two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. and Hathway Internet Satellite Pvt. Ltd. were majority partners in a partnership firm, namely, M/s. Hathway Space Vision (the firm). The aforesaid majority partners of the firm had initiated legal action i.e. invoked arbitration proceedings, against the minority partner viz. Space Vision Cabletel Pvt. Ltd. with reference to some management and operational issues and had made monetary claims against the minority partner. The minority partner had also filed certain counter claims against the wholly owned subsidiaries. After a long drawn legal battle, the firm stands dissolved as of July 8, 2011. The Court Receiver, High Court of Bombay has been appointed as the Receiver of the assets and business of the firm and Hathway Internet Satellite Private Limited has been appointed as the Agent of the Court Receiver. The issues concerning accounts and dissolution including adjudicating upon the original claims and counter claims made before the earlier Arbitrator are referred to Arbitration before Justice Srikrishna (Retd.). The Court Receiver had taken the possession of the movable assets found at the premises of the Firm and has appointed a valuer, the

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

report thereof is pending. In the mean time, the Court Receiver has fixed an ad hoc royalty of ₹ 0.01 (March 31, 2013 : ₹ 0.01) per month that is to be paid by the agent of the Court Receiver under order dated December 2, 2011. An application inter alia for setting aside the said order dated December 2, 2011 has been filed by the Company and Hathway Internet Satellite Private Limited in the High Court, Bombay which is pending. The Court Receiver has taken back possession of the suit premises from Hathway Internet Satellite Pvt. Ltd.

The Company has investments in said fully owned subsidiaries namely Hathway Internet Satellite Pvt. Ltd. & Binary Technology Transfers Pvt. Ltd. of ₹ 0.01 (March 31, 2013 : ₹ 0.01) and ₹ 0.01 (March 31, 2013 : ₹ 0.01) and Loans and advance of ₹ 1.59 (March 31, 2013 : ₹ 1.59) , ₹ 1.59 (March 31, 2013 : ₹ 1.59) respectively which has been fully provided for in the books.

- b) The Company had filed petition to wind up Hathway Jai Mata Di Sherawali Cable & Datacom Private Limited (HJMD), a subsidiary company, on just and equitable ground. In view of the Management disputes with the other Shareholders, the Company has decided to take such an action. The Delhi High Court has since passed the necessary order to liquidate HJMD and the investment of ₹ Nil (March 31, 2013 : ₹ 0.80) and Loans & Advances of ₹ Nil (March 31, 2013 : ₹ 0.54) & receivables of ₹ Nil (March 31, 2013 : ₹ 0.75) which was fully provided in earlier years, has been written off from the books during the previous year.

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

4.05 EXCEPTIONAL ITEMS

- a) The Company in its ordinary course of business has promoted / acquired interest in various entities. The Company's exposure to these entities on account of Investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Trade Receivables is ₹ 384.92 (March 31, 2013: ₹ 313.87), ₹ 86.68 (March 31, 2013: ₹ 95.03) and ₹ 62.53 (March 31, 2013: ₹ 50.04) respectively. Most of the entities have accumulated losses and negative net worth. The Company's exposure to such loss making entities on account of investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Trade Receivables is ₹ 196.00 (March 31, 2013: ₹ 107.88), ₹ 75.05 (March 31, 2013: ₹ 75.21) and ₹ 48.85 (March 31, 2013: ₹ 39.53) respectively. The Company has made provision on overall basis of ₹ 13.18 (March 31, 2013: ₹ 4.49), ₹ 63.51 (March 31, 2013: ₹ 63.51) and ₹ 12.09 (March 31, 2013: ₹ 10.18) against such Investments, Loans and Advances and Trade Receivables respectively.

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

- b) Pursuant to the implementation of Digital Addressable System (DAS), the Company has incurred expenditure amounting to ₹ Nil (March 31, 2013: ₹ 5.00) towards promotional campaign relating to awareness of DAS for 100% digitalisation for all the four metros from November 01, 2012.
- c) The Ministry of Corporate Affairs vide circular dated August 09, 2012 clarified that loss arising on foreign exchange fluctuation is not to be recognised as interest cost in terms of para 4(e) of Accounting Standard 16 on Borrowing Costs in the event a company has opted for an option granted under earlier circular relating to capitalisation / amortisation of foreign exchange losses. In view of the same, during the previous financial year ended March 31, 2013 the Company has reversed finance cost of ₹ Nil (March 31, 2013: ₹ 5.90) for the year ended March 31, 2012 and capitalised the same resulting in higher depreciation by ₹ Nil (March 31, 2013: ₹ 0.75) for the year ended March 31, 2012. The aforesaid change resulted in net gain of ₹ Nil (March 31, 2013: ₹ 5.15) and has been shown as "Exceptional Item" in the Statement of Profit & Loss.

4.06 OUTSTANDING LETTER OF CREDIT :

Outstanding Letters of Credit ₹ 19.35 (March 31, 2013: ₹ 180.21) secured against assets acquired under LC facility, hypothecation of present and future current assets of the Company and extension of pari passu hypothecation of present and future movable fixed assets of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.07 EMPLOYEE STOCK OPTION PLAN

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

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

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

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

Particulars	March 31, 2014	March 31, 2013
Total accounting value of Options Outstanding (A)	(0.34)	0.33
Deferred Employee Compensation Expense	0.78	1.31
Less: Amortised	0.78	1.28
Net Deferred Employee Compensation Expense (B)	-	0.03
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	(0.34)	0.29

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

Shares Underlying Options Outstanding

Sr. No.	Particulars	March 31, 2014		March 31, 2013	
		No. of Shares	Weighted Average Exercise Price in Rupees	No. of Shares	Weighted Average Exercise Price in Rupees
A	a Outstanding at the beginning of the year	265,299	116.73	620,199	118.36
	b Granted during the year	Nil	Nil	Nil	Nil
	c Forfeited/ Cancelled during the year option I	4,500	110.20	8,000	110.20
	d Forfeited/ Cancelled during the year option II	4,800	157.30	Nil	Nil
	e Exercised during the year option I	29,700	110.20	270,000	110.20
	f Exercised during the year option II	-	-	46,100	157.30
	g Expired during the year option I	59,200	110.20	6,300	110.20
	h Expired during the year option II	5,800	157.30	24,500	157.30
B	Outstanding at the end of the year	161,299	124.10	265,299	116.73
C	Exercisable at the end of the year	161,299	124.10	265,299	116.73
D	Method of Settlement	Equity	Equity	Equity	Equity
E	Weighted average remaining contractual life (in months)		Nil		0.53
F	Weighted average Fair Value of Option granted during the year		Nil		Nil

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.08 PRIOR PERIOD ITEMS

Detail of Prior Period Income and Expenses is as under:

Particulars	2013-2014	2012-2013
Income of earlier years credited to Statement of Profit and Loss		
-Subscription Income	0.25	0.19
-Others	-	0.01
Expenses of earlier years reversed and credited to Statement of Profit and Loss		
-Interest and Finance Charges	-	0.52
-Commission	0.09	-
-Salaries & Bonus	-	0.01
-Software & Programming Cost	0.02	-
-Pay Channel Cost	0.15	-
-Others (Rupees 4,710 (March 31, 2013 : Rupees 1,181,999))	0.00	0.12
TOTAL CREDIT (A)	0.51	0.86
Income of earlier years reversed and debited to Statement of Profit and Loss		
-Subscription Income	1.63	0.92
-Others (Rupees Nil (March 31, 2013 : Rupees 45,000))	-	0.00
Expenses of earlier years debited to Statement of Profit and Loss		
-Advertisement & Promotion expenses	-	0.26
-Bandwidth & Leaseline Cost	0.43	-
-Electricity charges	0.10	0.01
-Legal & Professional Charges	0.39	-
-Pay Channel Cost	0.85	0.10
-Rates & Taxes	-	0.19
-Rent	-	0.01
-Others	0.16	0.12
TOTAL DEBIT (B)	3.56	1.63
Net Debit / (Credit) to Statement of Profit and Loss (A-B)	3.05	0.76

4.09 EMPLOYEE BENEFITS

a) Defined Benefit Plans:

The present value of the defined benefit obligations and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. The following table provides the disclosures in accordance with Revised AS 15.

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

Sr. No.	Category	March 31, 2014 [Gratuity]	March 31, 2013 [Gratuity]
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	3.83	2.95
	Current Service Cost	0.76	0.66
	Interest Cost	0.27	0.24
	Benefits Paid	(0.87)	(0.15)
	Actuarial Gain / (Loss)	(0.18)	0.12
	Projected benefit obligations at end of the year	3.82	3.83
2	Change in plan assets:		
	Plan assets at the beginning of the year	3.38	2.50
	Expected return on plan assets	0.40	0.25
	Actuarial Gain / (Loss)	0.41	(0.01)

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Sr. No.	Category	March 31, 2014 [Gratuity]	March 31, 2013 [Gratuity]
	Contributions	1.08	0.79
	Benefits Paid	(0.87)	(0.15)
	Plan assets at the end of the year	4.40	3.38
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Fair Value of plan assets at the end of the year	3.82	3.38
	Present value of the defined benefit obligations at the end of the year	4.40	3.83
	Liability / (Asset) recognised in the Balance Sheet	(0.57)	0.45
4	Cost for the year		
	Current Service Cost	0.76	0.66
	Interest Cost	0.27	0.24
	Expected return on plan assets	0.40	(0.25)
	Actuarial Gain / (Loss)	(0.59)	0.13
	Net Cost recognised in the Statement of Profit and Loss	0.05	0.79
5	Assumptions		
	Interest rate for discount	9.05%	8.05%
	Estimated rate of return on plan assets	11.38%	8.69%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	8.62%	8.92%
	Employee Attrition Rate (Past service)	0-5 Year 8.62%	0-5 years - 9.73%
		5-40 years - 6.42%	5-40 years - 2.83%
6	Investment Details		
	Deposit With LIC of India	21.96%	56.86%
	Deposit With ING Vysya Life Insurance Corporation of India	78.04%	43.14%
		100.00	100.00

b) Defined Contribution Plans:

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

c) Other Disclosures :

Benefits	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Defined benefit obligation	3.82	3.83	2.95	2.53	1.31
Plan assets	4.40	3.38	2.50	2.19	1.47
Surplus/(Deficit)	0.57	(0.45)	(0.45)	(0.34)	0.16
Experience adjustment on obligation - gain/(loss)	(0.18)	0.12	(0.03)	0.11	(0.03)
Experience adjustment on plan assets - gain/(loss)	0.41	(0.01)	(0.12)	(0.01)	0.22
Experience adjustment (best estimate) to funded plans in subsequent finance year	0.24	0.13	0.09	0.12	(0.26)

4.10 SEGMENTAL REPORTING

The Company is a Multi System Operator providing Cable Television Network Services, Internet Services and allied services which is considered as the only reportable segment. The Company's operations are based in India.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.11 RELATED PARTY DISCLOSURES**Particulars of Related Parties****A. Names of related parties and related party relationship where control exist****i) Under Control of the Company :**

1	Wholly Owned Subsidiaries:	Bee Network & Communication Pvt. Ltd.
		Binary Technology Transfers Pvt. Ltd.
		Hathway C-Net Pvt. Ltd.
		Hathway Enjoy Cable Network Pvt. Ltd.
		Hathway Gwalior Cable & Datacom Pvt. Ltd.
		Hathway Internet Satellite Pvt. Ltd.
		Hathway JMD Farukhabad Cable Network Pvt Ltd.
		Hathway Media Vision Pvt. Ltd.
		Hathway Space Vision Cabletel Pvt. Ltd.
		Hathway United Cables Pvt. Ltd.
		Hathway Universal Cabletel & Datacom Pvt Ltd.
		Ideal Cables Pvt. Ltd.
		ITV Interactive Media Pvt. Ltd.
		Liberty Media Vision Pvt. Ltd.
		Vision India Networks Pvt. Ltd.
		Win Cable and Datacom Pvt. Ltd.
		Hathway Datacom Central Pvt. Ltd. (formally known as Hathway Bhaskar Multinet Pvt. Ltd.)
2	Other – Subsidiaries / Body Corporate	Chennai Cable Vision Network Pvt. Ltd.
		Channels India Network Pvt. Ltd
		Elite Cable Network Pvt. Ltd.
		Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.
		Hathway ICE Television Pvt. Ltd.
		Hathway Sonali Om Crystal Cable Pvt. Ltd.
		Hathway MCN Pvt. Ltd.
		Hathway Nashik Cable Network Pvt. Ltd.
		Hathway Krishna Cables Pvt. Ltd.
		Hathway Rajesh Multi channel Pvt. Ltd.
		Hathway Software Developers Pvt. Ltd
		UTN Cable Communications Pvt. Ltd.
		GTPL Hathway Pvt. Ltd.
		Hathway Latur MCN Cable & Datacom Pvt. Ltd.
		Hathway Channel 5 Cable & Datacom Pvt. Ltd.
		Hathway Mysore Cable Network Pvt. Ltd.
		Hathway Prime Cable & Datacom Pvt Ltd
		Hathway Mantra Cable & Datacom Pvt. Ltd.
		Hathway Sai Star Cable & Datacom Pvt. Ltd.
		Hathway New Concept Cable & Datacom Pvt. Ltd.
		Hathway Palampur Cable Network Pvt. Ltd.
		Hathway Cable MCN Nanded Pvt. Ltd.
		Net 9 Online Hathway Pvt. Ltd.
Hathway Bhawani Cabletel and Datacom Ltd.		
Hathway Dattatray Cable Network Pvt. Ltd.		
Hathway Kokan Crystal Cable Network Pvt. Ltd.		
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.		
Hathway SS Cable & Datacom - LLP		

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3	Subsidiaries of the Subsidiaries	Hathway Bhaskar CCN Multinet Pvt. Ltd.
		Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.
		Hathway Bhaskar CBN Multinet Pvt. Ltd.
		Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.
		GTPL Solanki Cable Network Pvt. Ltd.
		GTPL Surat Telelink Pvt. Ltd.
		GTPL Zigma Vision Pvt. Ltd.
		GTPL SK Network Pvt. Ltd.
		GTPL Video Badshah Pvt. Ltd.
		GTPL Kutch Network Pvt. Ltd.
		GTPL Anjali Cable Network Pvt. Ltd.
		GTPL City Channel Pvt. Ltd.
		GTPL SMC Network Pvt. Ltd.
		GTPL Jai Mataji Pvt. Ltd.
		GTPL Space City Pvt. Ltd.
		GTPL Link Network Pvt. Ltd.
		GTPL VVC Network Pvt. Ltd.
		GTPL Insight Channel Network Pvt. Ltd.
		GTPL Vidarbha Telelink Pvt. Ltd.
		GTPL Parshwa Cable Network Pvt. Ltd.
		GTPL Vision Services Pvt. Ltd.
		GTPL Narmada Cyberzone Pvt. Ltd.
		GTPL Blue Bell Network Pvt. Ltd.
		GTPL Shiv Shakti Network Pvt. Ltd.
		GTPL Dahod Television Network Pvt. Ltd.
		GTPL Sorath Telelink Pvt. Ltd.
		GTPL Jay Shantoshima Network Pvt. Ltd.
GTPL Kolkata Cable & Broadband Pariseva Ltd.		
GTPL Shiv Network Pvt. Ltd.		
Gujarat Telelink East Africa Ltd.		
GTPL Ahmedabad Cable Network Pvt. Ltd.		
GTPL V&S Cable Pvt. Ltd.		
D.L. GTPL Cabnet Pvt. Ltd.		
GTPL Sharda Cale Network Pvt. Ltd.		
GTPL Video Vision Pvt. Ltd.		
Hathway Bhawani NDS Network Pvt. Ltd.		
Hathway Bhawani Sai Network Pvt. Ltd.		
Hathway Cabletech Services Pvt. Ltd. (w.e.f. July 09, 2013 up to November 30, 2014)		
ii) Other Related parties :		
1	Joint Ventures	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.
2	Associate Company	Pan Cable Services Pvt. Ltd.
		Hathway VCN Cabletel Pvt. Ltd.
3	Promotor - Directors	Akshay Raheja
		Viren Raheja
4	Entities owned by or under significant influence of individuals having significant influence on the Company	Coronet Investment Pvt. Ltd.
		Manali Investment and Finance Pvt. Ltd.
		Sonata Information Technology Ltd.
		Peninsula Estates Pvt. Ltd.
5	Key Managerial Personnel and Relatives	Jagdish Kumar G Pillai - Managing Director (w.e.f. December 21, 2012)
		K. Jayaraman - Managing Director (up to December 21, 2012)
		G Satish Kumar (Relative of Key Managerial Personnel)

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

B) Related Party Transactions

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

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives	Grand Total
INCOME							
Consultancy Income							
Hathway MCN Pvt. Ltd.	2013-14	2.21					2.21
	2012-13	(0.55)					(0.55)
Net 9 Online Hathway Pvt. Ltd.	2013-14	0.31					0.31
	2012-13	-					-
Hathway Rajesh Multi Channel Pvt. Ltd.	2013-14	0.12					0.12
	2012-13	(0.72)					(0.72)
Hathway Sai Star Cable & Datacom Pvt. Ltd.	2013-14	-					-
	2012-13	(2.09)					(2.09)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2013-14	-					-
	2012-13	(1.82)					(1.82)
Hathway SS Cable & Datacom LLP	2013-14	-					-
	2012-13	(0.09)					(0.09)
Others	2013-14	0.31					0.31
	2012-13	(1.25)					(1.25)
Advertisement Income							
Hathway Datacom Central Pvt. Ltd.	2013-14	0.01					0.01
	2012-13	-					-
Interest - Cable Ventures							
GTPL Hathway Pvt. Ltd.	2013-14	0.20					0.20
	2012-13	(0.80)					(0.80)
Hathway Mysore Cable Network Pvt. Ltd.	2013-14	0.13					0.13
	2012-13	-					-
Hathway Software Developer Pvt. Ltd.	2013-14	0.11					0.11
	2012-13	-					-
Others	2013-14	-					-
	2012-13	(0.02)					(0.02)
Other Operational Income							
Hathway Datacom Central Pvt. Ltd.	2013-14	-					-
	2012-13	(0.80)					(0.80)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2013-14	-					-
	2012-13	(0.35)					(0.35)
Others (Rupees 3,115 (March 31, 2013 ; Rupees 1,177,086)	2013-14	0.00					0.00
	2012-13	(0.12)					(0.12)
Rental Income on Equipments							
GTPL Hathway Pvt. Ltd.	2013-14	0.32					0.32
	2012-13	(0.87)					(0.87)
Hathway Datacom Central Pvt. Ltd.	2013-14	0.76					0.76
	2012-13	-					-
Others	2013-14	0.04					0.04
	2012-13	(0.04)					(0.04)
Subscription Income							
Hathway Bhawani Cabletel & Datacom Ltd.	2013-14	-					-
	2012-13	(2.53)					(2.53)
Hathway Krishna Cable Network Pvt. Ltd.	2013-14	-					-
	2012-13	(1.91)					(1.91)
Hathway Media Vision Pvt. Ltd.	2013-14	-					-
	2012-13	(0.16)					(0.16)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2013-14	-					-
	2012-13	(2.97)					(2.97)

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives	Grand Total
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2013-14	11.34					11.34
	2012-13	(1.60)					(1.60)
Hathway Datacom Central Pvt. Ltd.	2013-14	12.78					12.78
	2012-13	-					-
Hathway Mantra Cable and Datacom Pvt. Ltd.	2013-14	10.73					10.73
	2012-13	-					-
Others	2013-14	27.76					27.76
	2012-13	(2.85)					(2.85)
EXPENSES							
Distribution Cost							
Hathway Datacom Central Pvt. Ltd.	2013-14	25.00					25.00
	2012-13	(5.98)					(5.98)
Hathway MCN Pvt .Ltd.	2013-14	8.26					8.26
	2012-13	-					-
Hathway Sai Star Cable & Datacom Pvt. Ltd.	2013-14	-					-
	2012-13	(5.04)					(5.04)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2013-14	16.50					16.50
	2012-13	(6.00)					(6.00)
Others	2013-14	22.19					22.19
	2012-13	(21.14)					(21.14)
Feed charges Paid							
Hathway MCN Pvt Ltd	2013-14	2.25					2.25
	2012-13	(1.80)					(1.80)
Hathway software Developer Pvt. Ltd.	2013-14	0.79					0.79
	2012-13	(0.72)					(0.72)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2013-14	0.62					0.62
	2012-13	-					-
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2013-14	-	-				-
	2012-13		(0.01)				(0.01)
UTN Cable Communication Pvt. Ltd.	2013-14	0.78					0.78
	2012-13	(0.65)					(0.65)
Others	2013-14	0.28					0.28
	2012-13	(0.37)					(0.37)
Interest on Loan							
UTN Cable Communication Pvt. Ltd.	2013-14	0.06					0.06
	2012-13	(0.06)					(0.06)
Commission							
Gujarat Telelink Pvt. Ltd.	2013-14	0.90					0.90
	2012-13	-					-
Rent Offices							
Coronet Investment Pvt Ltd	2013-14				0.20		0.20
	2012-13				-		-
Manali Investment and Finance Pvt. Ltd.	2013-14				0.22		0.22
	2012-13				-		-
Peninsula Estates Pvt. Ltd.	2013-14				0.10		0.10
	2012-13				-		-
Other Expenses							
Hathway Bhawani Cabletel & Datacom Ltd.	2013-14	-					-
	2012-13	(0.06)					(0.06)
Hathway software Developer Pvt. Ltd.	2013-14	0.03					0.03
	2012-13	(0.04)					(0.04)
Liberty Media Vision Pvt. Ltd.	2013-14	-					-
	2012-13	(0.00)					(0.00)
Remuneration and Perquisites	2013-14					2.11	2.11
	2012-13					(2.16)	(2.16)
Others	2013-14	0.52				0.07	0.59
	2012-13	-				-	-

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives	Grand Total
Service Charges							
Hathway Media Vision Pvt. Ltd.	2013-14	7.77					7.77
	2012-13	(12.25)					(12.25)
Hathway Cabletech Services Pvt. Ltd.	2013-14	13.47					13.47
	2012-13	-					-
Purchase of Assets							
Sonata Information Technology Ltd.	2013-14				4.29		4.29
	2012-13				-		-
Sale of Assets							
Hathway Datacom Central Pvt. Ltd.	2013-14	-					-
	2012-13	(0.35)					(0.35)
Hathway Bhawani Cabletel & Datacom Ltd.	2013-14	-					-
	2012-13	(1.01)					(1.01)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2013-14	-					-
	2012-13	(3.42)					(3.42)
Hathway Bhaskar CCN Multinet Pvt. Ltd.	2013-14	0.21					0.21
	2012-13	-					-
Hathway Rajesh Multi Channel Pvt. Ltd.	2013-14	0.25					0.25
	2012-13	-					-
Others	2013-14	0.05					0.05
	2012-13	(1.77)					(1.77)
TRANSACTION DURING THE YEAR							
Provision Against Investments made during the year							
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2013-14	6.28					6.28
	2012-13	-					-
Ideal Cables Pvt. Ltd.	2013-14	2.00					2.00
	2012-13	-					-
Others	2013-14	0.41					0.41
	2012-13	-					-
Provision Against Advances made during the year							
Ideal Cables Pvt. Ltd.	2013-14	-					-
	2012-13	(0.11)					(0.11)
Win Cable & Datacom Pvt. Ltd.	2013-14	-					-
	2012-13	(0.13)					(0.13)
Hathway Cable Entertainment Pvt. Ltd.	2013-14	-					-
	2012-13	(0.08)					(0.08)
Provision Against Debtors made during the year							
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2013-14	1.91					1.91
	2012-13	(1.90)					(1.90)
Hathway Krishna Cable Network Pvt. Ltd.	2013-14	-					-
	2012-13	(2.37)					(2.37)
Liberty Media Vision Pvt. Ltd.	2013-14	-					-
	2012-13	(0.02)					(0.02)
Hathway Gwalior Cable & Datacom Pvt. Ltd.	2013-14	-					-
	2012-13	(0.03)					(0.03)
Provision against advances written back during the year							
Others	2013-14	-					-
	2012-13	(0.04)					(0.04)
Net Advances Made During the Year							
Hathway Krishna Cable Network Pvt. Ltd.	2013-14	-					-
	2012-13	(0.39)					(0.39)
UTN Cable Communications Pvt. Ltd.	2013-14	4.79					4.79
	2012-13	-					-
Hathway Sonali OM Crystal Cable Pvt. Ltd.	2013-14	5.46					5.46
	2012-13	-					-

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives	Grand Total
Hathway Mantra cable & Datacom Pvt. Ltd.	2013-14	5.62					5.62
	2012-13	-					-
Hathway Bhawani Cabletel & Datacom Ltd.	2013-14	4.39					4.39
	2012-13	-					-
Hathway New Concept Cable & Datacom Pvt. Ltd.	2013-14						-
	2012-13	(4.36)					(4.36)
Hathway Software Developers Pvt. Ltd.	2013-14	-					-
	2012-13	(0.70)					(0.70)
Hathway Datacom Central Pvt. Ltd.	2013-14	-					-
	2012-13	(10.15)					(10.15)
Hathway SS Cable & Datacom - LLP	2013-14	-					-
	2012-13	(0.47)					(0.47)
Others	2013-14	17.50					17.50
	2012-13	(3.40)					(3.40)
Net Advances Recovered During the Year							
GPL Hathway Pvt. Ltd.	2013-14	7.65					7.65
	2012-13	(5.32)					(5.32)
Hathway Krishna Cable Network Pvt. Ltd.	2013-14	5.76					5.76
	2012-13	-					-
Hathway Datacom Central Pvt. Ltd.	2013-14	8.77					8.77
	2012-13	-					-
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2013-14		-				-
	2012-13		(1.94)				(1.94)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2013-14	-					-
	2012-13	(2.25)					(2.25)
Hathway Sai Star Cable & Datacom Pvt. Ltd.	2013-14	-					-
	2012-13	(2.13)					(2.13)
Others	2013-14	1.35				-	1.35
	2012-13	(3.50)				(0.13)	(3.63)
Net Investment / Advances / Debtors Write Off During the Year							
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	2013-14	-					-
	2012-13	(2.09)					(2.09)
Investment made during the year							
Hathway MCN Pvt. Ltd.	2013-14	-					-
	2012-13	(1.15)					(1.15)
Gujarat Telelink Pvt. Ltd.	2013-14	19.19					19.19
	2012-13	(13.00)					(13.00)
Hathway Datacom Central Pvt. Ltd.	2013-14	30.00					30.00
	2012-13	(16.84)					(16.84)
Hathway Krishna Cable Network Pvt. Ltd.	2013-14	12.19					12.19
	2012-13	-					-
Others	2013-14	9.67					9.67
	2012-13	-					-
CLOSING BALANCES AS AT MARCH 31, 2014							
Investments							
GPL Hathway Pvt. Ltd.	2013-14	166.26					166.26
	2012-13	(147.07)					(147.07)
Hathway Datacom Central Pvt. Ltd.	2013-14	85.96					85.96
	2012-13	(55.96)					(55.96)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2013-14		4.02				4.02
	2012-13		(4.02)				(4.02)
Hathway SS Cable & Datacom - LLP	2013-14	1.73					1.73
	2012-13	(1.73)					(1.73)
Others	2013-14	126.80	0.10				126.90
	2012-13	(104.72)	(0.10)				(104.82)

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives	Grand Total
Provision for Diminution in value of Investment							
Chennai Cable Vision Network Pvt. Ltd.	2013-14	-					-
	2012-13	(0.56)					(0.56)
Ideal Cables Pvt. Ltd.	2013-14	2.22					2.22
	2012-13	-					-
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2013-14	6.28					6.28
	2012-13	-					-
Channels India Network Pvt. Ltd.	2013-14	-					-
	2012-13	(1.09)					(1.09)
Hathway C Net Pvt. Ltd.	2013-14	-					-
	2012-13	(0.60)					(0.60)
Vision India Network Pvt. Ltd.	2013-14	-					-
	2012-13	(0.74)					(0.74)
Hathway VCN Cablenet Pvt. Ltd.	2013-14		0.10				0.10
	2012-13		(0.10)				(0.10)
Others (Rupees 100 (March 31, 2013; Rupees 100))	2013-14	4.58	0.00				4.58
	2012-13	(1.40)	(0.00)				(1.40)
Loans & advances							
Hathway Nashik Cable Network Pvt. Ltd.	2013-14	10.41					10.41
	2012-13	(10.41)					(10.41)
Win Cable & Datacom Pvt. Ltd.	2013-14	20.37					20.37
	2012-13	(20.39)					(20.39)
GTPL Hathway Pvt. Ltd.	2013-14	10.32					10.32
	2012-13	(18.51)					(18.51)
Hathway VCN Cablenet Pvt. Ltd.	2013-14		5.51				5.51
	2012-13		(5.51)				(5.51)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2013-14		0.22				0.22
	2012-13		(0.22)				(0.22)
Others	2013-14	22.27	0.59			-	22.86
	2012-13	(22.21)	(0.59)			(0.14)	(22.94)
Provision for Doubtful Advances							
Hathway Nashik Cable Network Pvt. Ltd.	2013-14	10.41					10.41
	2012-13	(10.41)					(10.41)
Win Cable & Datacom Pvt. Ltd.	2013-14	20.40					20.40
	2012-13	(20.39)					(20.39)
Hathway VCN Cablenet Pvt. Ltd.	2013-14		5.51				5.51
	2012-13		(5.51)				(5.51)
Others	2013-14	10.13	0.59				10.72
	2012-13	(10.20)	(0.59)				(10.79)
Trade Receivables							
GTPL Hathway Pvt. Ltd.	2013-14	7.45					7.45
	2012-13	(6.91)					(6.91)
Hathway Datacom Central Pvt. Ltd.	2013-14						-
	2012-13	(13.76)					(13.76)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2013-14	9.34					9.34
	2012-13	(7.99)					(7.99)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2013-14		2.28				2.28
	2012-13		(2.28)				(2.28)
Others	2013-14	42.93	0.47				43.41
	2012-13	(18.58)	(0.47)				(19.05)
Provision for Bad & Doubtful Debt							
Bee Network & Communications Pvt. Ltd.	2013-14	0.97					0.97
	2012-13	(0.97)					(0.97)
Channels India Network Pvt. Ltd.	2013-14	1.33					1.33
	2012-13	(1.33)					(1.33)
Liberty Media Vision Pvt. Ltd.	2013-14	1.16					1.16
	2012-13	(1.16)					(1.16)

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Promotor - Directors	Entities own or Significant influence by individuals having Significant influence on the Company	Key Managerial Personnel and Relatives	Grand Total
Vision India Network Pvt. Ltd.	2013-14	1.85					1.85
	2012-13	(1.85)					(1.85)
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2013-14	3.81					3.81
	2012-13	(1.90)					(1.90)
Hathway Krishna Cable Network Pvt. Ltd.	2013-14	2.37					2.37
	2012-13	(2.37)					(2.37)
Others	2013-14	0.60					0.60
	2012-13	(0.60)					(0.60)
Trade Payables							
Hathway Media Vision Pvt. Ltd.	2013-14	-					-
	2012-13	(1.43)					(1.43)
UTN Cable Communications Pvt. Ltd.	2013-14	-					-
	2012-13	(1.39)					(1.39)
Hathway Datacom Central Pvt. Ltd.	2013-14	-					-
	2012-13	(5.84)					(5.84)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2013-14	-					-
	2012-13	(1.89)					(1.89)
Hathway Ice Television Pvt. Ltd.	2013-14	0.80					0.80
	2012-13	-					-
Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	2013-14	0.67					0.67
	2012-13	-					-
Others	2013-14	0.25					0.25
	2012-13	(2.25)					(2.25)
Security Deposit Given							
Viren Raheja	2013-14			1.26			1.26
	2012-13			-			-
Akshay Raheja	2013-14			1.26			1.26
	2012-13			-			-
Others	2013-14				0.14		0.14
	2012-13				-		-

In Addition to aforementioned transactions, the Company has given Corporate Guarantees of ₹ 133.93 (March 31, 2013: ₹ 93.30) on behalf of GTPL Hathway Pvt. Ltd., ₹ 10.00 (March 31, 2013: ₹ 10.00) on behalf of Hathway Bhaskar Multinet Pvt. Ltd. and ₹ 3.95 (March 31, 2012: ₹ 3.95) on behalf of Hathway MCN Pvt Ltd.

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

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.12 Supplementary statutory information required to be given pursuant to Clause 32 of the listing agreement:**A) Loans and advances in the nature of loans to Subsidiaries and Associates:**

NAME OF RELATED PARTY	YEAR			YEAR		
	March 31, 2014			March 31, 2013		
	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway Mysore Cable Network Pvt. Ltd. **	1.55	-	1.68	1.55	-	1.55
Hathway Software Developers Pvt. Ltd. ***	0.88	-	0.88	0.88	-	0.88
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	-	0.22	0.22	-	0.22	0.22
Hathway Media Vision Pvt. Ltd.	2.19	-	2.62	2.11	-	2.11
UTN Cable Communications Pvt. Ltd.	1.11	-	1.11	1.11	-	1.11
Hathway Ice Television Pvt. Ltd.	0.78	-	0.78	0.78	-	0.78
Hathway MCN Pvt. Ltd. ^	1.27	-	1.27	0.08	-	0.08
GTPL Hathway Pvt. Ltd. *	10.32	-	18.54	18.51	-	23.27
Net 9 Online Hathway Pvt. Ltd.	0.20	-	0.20	0.20	-	0.20
Hathway Sonali Om Crystal Cable Pvt. Ltd.	0.11	-	0.11	0.11	-	0.11
Hathway Gwalior Cable & Datacom Pvt. Ltd.	0.52	-	0.52	0.52	-	0.68
Hathway Enjoy Cable Network Pvt. Ltd. Under Control includes (Rupees 43,528 (March 31, 2013 Rupees 43,528) Maximum Out Standing includes (Rupees 45,599 (March 31, 2013; Rupees 45599)	0.00	-	0.00	0.00	-	0.00
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	0.17	-	0.17	0.17	-	0.17
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	0.30	-	0.30	0.30	-	0.37
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	-	-	-	-	0.54
Hathway JMD Farukhabad Cable Network Pvt. Ltd. Under Control includes (Rupees 11,233 (March 31, 2013 Rupees 11,233) Maximum Out Standing includes (Rupees 21,542 (March 31, 2013 ; Rupees 23,602)	0.00	-	0.00	0.00	-	0.00
Hathway Cable MCN Nanded Pvt. Ltd. ^^^	0.29	-	0.29	0.21	-	0.21
Hathway Dattatray Cable Network Pvt. Ltd. ^^^^	0.74	-	0.74	0.47	-	0.47
Hathway Mantra Cable & Datacom Pvt. Ltd. Under Control includes (Rupees 30,321 (March 31, 2013 Rupees 30,321) Maximum Out Standing includes (Rupees 30,321 (March 31, 2013 ; Rupees 32,381)	0.00	-	0.00	0.00	-	0.00
Hathway Datacom Central Pvt. Ltd. (f.k.a. Hathway Bhaskar Multinet Pvt. Ltd.)	0.09	-	4.06	3.87	-	3.93

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

NAME OF RELATED PARTY	YEAR			YEAR		
	March 31, 2014			March 31, 2013		
	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway Bhaskar CCN Multinet Pvt. Ltd.	-	-	-	-	-	-
Hathway Prime Cable & Datacom Pvt. Ltd.	0.02	-	0.02	0.02	-	0.02
Hathway Krishna Cable Pvt. Ltd.	-	-	0.16	0.16	-	0.16
Hathway New Concept Cable & Datacom Pvt. Ltd.	0.04	-	0.04	0.04	-	0.04
Hathway Konkan Crystal Cable Network Pvt. Ltd.	0.01	-	0.01	0.01	-	0.01
Bee Network & Communications Pvt. Ltd.	0.37	-	0.37	0.37	-	0.37
Binary Technology Transfers Pvt. Ltd.	1.59	-	1.59	1.59	-	1.59
Chennai Cable Vision Network Pvt. Ltd.	1.97	-	1.97	1.97	-	1.97
Channels India Network Pvt. Ltd.	0.01	-	0.01	0.01	-	0.01
Elite Cable Network Pvt. Ltd.	0.02	-	0.02	0.02	-	0.02
Hathway C Net Pvt. Ltd.	0.45	-	0.45	0.45	-	0.45
Hathway Internet & Satellite Pvt. Ltd.	1.59	-	1.59	1.59	-	1.59
Hathway Nashik Cable Network Pvt. Ltd.	10.41	-	10.41	10.41	-	10.41
Hathway Space Vision Cabletel Pvt. Ltd.	1.04	-	1.04	1.04	-	1.04
Hathway United Cables Network Pvt. Ltd.	-	-	-	-	-	-
Hathway Universal Cabletel & Datacom Pvt. Ltd.	0.02	-	0.02	0.02	-	0.02
Ideal Cables Pvt. Ltd.	0.44	-	0.44	0.44	-	0.44
ITV Interactive Media Pvt. Ltd.	0.45	-	0.45	0.45	-	0.45
Liberty Media Vision Pvt. Ltd.	1.17	-	1.28	1.27	-	1.27
Vision India Network Pvt. Ltd.	0.22	-	0.22	0.22	-	0.22
Win Cable & Datacom Pvt. Ltd.	20.37	-	20.40	20.39	-	20.39
Pan Cable Services Pvt. Ltd.	-	0.59	0.59	-	0.59	0.59
Hathway Rajesh Multi Channel Pvt. Ltd. ^^	0.57	-	0.57	-	-	-
Hathway Bhawani Cabletel & Datacom Ltd. ^^^^	1.43	-	1.43	-	-	-
Hathway VCN Cable Network Pvt. Ltd.	-	5.51	5.51	-	5.51	5.51

* Interest levied on ₹ 6.00 (March 31, 2013 ; ₹ 6.00)

** Interest levied on ₹ 1.00 (March 31, 2013 ; ₹ 1.00)

*** Interest levied on ₹ 0.88 (March 31, 2013 ; ₹ 0.88)

^ Interest levied on ₹ 1.28 (March 31, 2013 ; ₹ Nil)

^^ Interest levied on ₹ 0.57 (March 31, 2013 ; ₹ Nil)

^^^ Interest levied on ₹ 0.07 (March 31, 2013 ; ₹ Nil)

^^^^ Interest levied on ₹ 0.75 (March 31, 2013 ; ₹ Nil)

^^^^^ Interest levied on ₹ 1.43 (March 31, 2013 ; ₹ Nil)

All the above loans are repayable on demand except GTPL Hathway Pvt. Ltd. and Hathway Datacom Central Pvt. Ltd. (f.k.a. Hathway Bhaskar Multinet Pvt. Ltd.) which is payable after April 01, 2015

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

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

Name of the Party	March 31, 2014		March 31, 2013	
	Balance Outstanding	Maximum Amount outstanding during the year	Balance Outstanding	Maximum Amount outstanding during the year
Arun Singh	0.17	0.20	0.20	0.22
Bharat Pandit	0.10	0.10	0.10	0.10
Sanjay Ghagare	0.05	0.05	0.05	0.05
Shankar Nair	0.04	0.05	0.05	0.05
A Sivaraman	0.01	0.01	0.01	0.01
Shirish Ruparel	0.10	0.10	Nil	Nil

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

4.14 LEASES**(a) Finance Leases (As Lessee):**

Lease rentals outstanding as at March 31, 2014 in respect of fixed assets taken on finance lease are as under:

Due	Total minimum lease payments outstanding as at March 31, 2014	Interest not due	Present value of minimum lease payments as at March 31, 2013
Not Later than 1 year	68.30	18.32	49.98
	(12.83)	(5.83)	(7.00)
Later than 1 year and not later than 5 years	120.31	13.23	107.09
	(68.02)	(12.24)	(55.79)
Later than 5 years	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)
Total	188.61	31.55	157.07
	(80.85)	(18.06)	(62.79)

Finance Lease obligation of Long-Term Borrowing (Ref: Note No: 2.03) include ₹ 157.07 (March 31, 2013: ₹ 62.79) payable to lessor under finance lease arrangement.

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

Details of Non-Cancellable Leases are as under:

Particulars	2013-14	2012-13
Rental Expense debited to Statement of Profit and Loss	7.99	7.72
Payable in the next one year	10.65	6.53
Payable after next one year but Before next five years	26.77	15.16
Payable after five years	0.00	0.82

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Details of Cancellable Leases are as under:

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

Rental Expenses debited to the Statement of Profit and Loss ₹ 10.21 (March 31, 2013: ₹ 7.53)

(c) Operating Leases (As Lessor):

Particulars	2013-14	2012-13
Gross Carrying Amount of Assets capitalised as Plant & Machinery and given on operating lease	4.01	12.89
Depreciation for the year	0.60	1.12

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

4.15 EARNINGS \ (LOSS) PER SHARE

Particulars	2013-14	2012-13
Profit \ (Loss) after tax (but including prior period adjustments)	(125.23)	3.20
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Basic EPS	148,182,162	143,173,200
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Diluted EPS	148,182,162	143,248,990
Nominal value of ordinary shares (₹) (Face Value restated)	10	10
Basic EPS before extraordinary items (Rupees)	(8.45)	0.22
Diluted EPS before extraordinary items (Rupees)	(8.45)	0.22
Basic EPS after extraordinary items (Rupees)	(8.45)	0.22
Diluted EPS after extraordinary items (Rupees)	(8.45)	0.22

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

4.16 JOINT VENTURES

The Company has the following Joint Venture arrangements in the capacity of a Venturer as on March 31, 2014 :

Hathway Sukhamrit Cable and Datacom Private Limited*

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

Particulars	March 31, 2014	March 31, 2013
Assets		
Fixed assets	-	2.72
Cash & Bank Balances	-	3.49
Trade Receivables	-	5.41
Short Term Loans & Advances	-	27.32
Liabilities		
Current liabilities	-	27.13
Income		
Sales	-	28.98
Other income	-	0.27
Total income	-	29.25

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Particulars	March 31, 2014	March 31, 2013
Expenses		
Operating and other expenses	-	19.06
Employee's remuneration and benefits	-	0.93
Administration and General Expenses	-	3.88
Financial charges	-	0.06
Depreciation/ amortisation	-	0.46
Provision for Taxation	-	1.58
Total expenditure	-	25.97
Proportionate share of Contingent Liabilities and Capital Commitments	-	-

* In the absence of the financial statement for the period 2013-14, data for the current year not provided

4.17 DEFERRAL/CAPITALISATION OF EXCHANGE DIFFERENCES

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

In accordance with the amendment/earlier amendment to AS 11, the Company has capitalised exchange gain / (loss), arising on long-term foreign currency loan, amounting to ₹ (34.39) [March 31, 2013: ₹ (15.02)] to the cost of plant and equipment's. The Company has also capitalised exchange gain / (loss), arising on long-term foreign forward contract, undertaken to partially hedge the foreign current loan, amounting to ₹ 2.53 (Previous Year ₹ (0.62) to the cost of plant and equipments. The Company does not have any other long-term foreign currency monetary item. Hence, the amount of exchange loss deferred in the "Foreign Currency Monetary Item Translation Difference Account" is ₹ NIL (March 31, 2013: ₹ NIL).

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

Particulars	2013-14	2012-13
A CIF Value of Imports:		
Capital Goods (Includes items of Stores, Spares and Others which may also be used for Repairs & Maintenance)	299.78	384.13
Stores, Spares and Others	0.50	1.08
B Consumption Details of Stores, Spares & Others:		
Value of Imported Stores, Spares & Others consumed during year	0.50	0.11
Percentage of total consumption	33.68%	9.79%
Value of Indigenous Stores, Spares & Others consumed during year	0.99	1.05
Percentage of total consumption	66.32%	90.21%
C Expenditure in foreign currency		
Interest	7.69	5.64
Consultancy Charges	0.41	-
Subscription Charges	0.84	2.20
Repairs and Maintenance (Rupees 14,980 (March 31, 2013 ; Rupees 1,678,080)	0.00	0.17
Foreign Travel	1.36	0.37
Others	0.01	0.33
D Earning in foreign currency	52.49	6.44

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.19 UNHEDGED FOREIGN CURRENCY EXPOSURE

Currency	March 31, 2014			March 31, 2013		
	Amount in Foreign Currency	Exchange Rate	Amount	Amount in Foreign Currency	Exchange Rate	Amount
Secured Loans						
USD	69,000,027	59.91	413.38	36,112,573	54.37	196.33
JPY	346,882,455	0.58	20.14	117,993	0.58	0.01
Accounts Payables						
USD	11,080,791	59.91	66.39	32,204,689	54.37	175.08
JPY	19,748,408	0.58	1.15	1,803,500	0.58	0.10
Other Firm Commitments						
USD	12,650,663	59.91	75.79	36,339,329	54.37	197.56
JPY	9,706,342	0.58	0.56	-	-	-
Accounts Receivables						
USD	7,750,000	59.91	46.43	-	-	-

4.20 Rupees figures are mentioned in Crores unless otherwise stated.

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

Particulars	Amount			
	March 31, 2014		March 31, 2013	
	Amount Proposed	Amount utilised	Amount Proposed	Amount utilised
Utilisation of funds				
Acquisition of Customers	15.00	13.08	15.00	12.49
Investment in the development of digital capital expenditure, services and set top boxes	325.00	325.00	325.00	325.00
Investment in the development of broadband infrastructure, capital expenditure and services				
Repayment of loans	190.00	190.00	190.00	190.00
General Corporate Purpose	50.00	50.00	50.00	50.00
Interim use of fund (paying down short term credit limit)	-	1.92	-	2.51
Total	580.00	580.00	580.00	580.00
Less: To be funded by Borrowings	100.00	100.00	100.00	100.00
Total	480.00	480.00	480.00	480.00
Balance Unutilised	-	-	-	-

4.22 Pursuant to introduction of DAS, in terms of TRAI Regulations the Company is required to inter alia generate subscriber level billing and enter into inter connect agreements with local cable operators with effect from November 1, 2013 in notified cities. However, due to market conditions, the Company had still to fully implement the regulations as stipulated by TRAI. Pending execution of documentations necessary adjustments have been made to the amount estimated income based on various underlying factors including rate charged by other MSOs, subsequent negotiations with cable operators etc. The management has reviewed the outstanding receivables and are certain that it is stated at realisable amount and no provisions / reversal is required. In addition, there are no claims from the LCOs in excess of the amount that have been recognised.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.23 The amount receivable from a foreign party towards rendering of certain services has been disclosed net off amount payable to said party for import of capital goods, though unadjusted in the books of account. Application for necessary statutory approval has been made and the same is awaited.

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

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(VIREN THAKKAR)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & CEO

(AJAY SINGH)
Company Secretary & Compliance Officer

(VINAYAK AGGARWAL)
Director

Mumbai
Dated: May 29, 2014

Mumbai
Dated: May 29, 2014

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of HATHWAY CABLE & DATACOM LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of HATHWAY CABLE & DATACOM LIMITED ("the Company"), and its subsidiaries, jointly controlled entities and associates (the Company, its subsidiaries, jointly controlled entities and associates constitute "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2014 and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements/ consolidated financial statements of the components, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- b) In the case of the Consolidated Statement of Profit and Loss, of the Loss of the Group for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to:

- a) Note no. 4.02 A (i) and 4.02 A(v) to Consolidated Financial Statements regarding exclusion of certain entities by the management from consolidation on account of outstanding disputes and non availability of financials;
- b) Note no. 4.02 (iii) to Consolidated Financial Statements regarding exclusion of certain joint ventures partnership firms of one of the subsidiary of the Company from consolidation since the date from which such subsidiary became partner on account of criteria of effective joint control could not be fulfilled; and
- c) Note no. 4.21 to Consolidated Financial Statements relating to basis of recognition of income. In view of the prevailing circumstances, as explained in the said note, the Company has estimated its income from its networks located in these cities.

Our opinion is not qualified in respect of these matters

Report on Other Legal and Regulatory Requirements

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standards (AS) 21 "Consolidated

Financial Statements”, Accounting Standard (AS) 23, “Accounting for Investments in Associates in Consolidation Financial Statements” and Accounting Standards (AS) 27 “Financial Reporting of Interests in Joint Ventures” as notified under the Companies (Accounting Standards) Rules, 2006.

Other Matter

We have not audited the financial statements / consolidated financial statements of certain subsidiaries whose audited financial statements / consolidated financial statements reflect total assets (net) of ₹ 446.96 Crores as on March 31, 2014 and total revenues of ₹ 642.58 Crores and net cash inflows of ₹ 0.06 Crores for the year ended March 31, 2014 and these financial statements have been audited by other auditors whose reports have been furnished to us for the purpose of consolidation and our opinion, in so far as it relates to the amounts included in respect of such subsidiaries and joint ventures is based solely on the report of other auditors.

Apart from above, as stated in Note no. 4.02 B of the Consolidated Financial Statement, in the case of subsidiaries having total assets (net) of ₹ 5.73 Crores as on March 31, 2014 and total revenues of ₹ 14.71 Crores and net cash outflows of ₹ 0.95 Crores for the year ended on March 31, 2014, the figures used for the consolidation are based on the un-audited provisional financial statements certified by nominee directors and are not audited by their auditors. Our opinion so far as it relates to the amounts included in respect of these subsidiaries is based solely on such management certified financial statements.

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

Viren Thakkar

Partner

Membership No. 49417

Place: Mumbai

Dated: May 29, 2014

CONSOLIDATED BALANCE SHEET as at March 31, 2014

(₹ in Crores unless otherwise stated)

	Notes	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.01	152.00	143.17
Reserves and Surplus	2.02	807.30	679.23
Minority Interest		225.05	211.18
Non-Current Liabilities			
Long-Term Borrowings	2.03	1,014.28	669.08
Deferred Tax Liability	2.04	22.93	20.73
Other Long-Term Liabilities	2.05	18.86	9.90
Long-Term Provisions	2.07	2.20	1.42
Current Liabilities			
Short-Term Borrowings	2.06	107.28	76.18
Trade Payables	2.08	244.63	184.88
Other Current Liabilities	2.08	809.79	617.68
Short-Term Provisions	2.07	13.67	11.97
		3,417.99	2,625.42
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.09	1,644.95	1,193.18
Intangible Assets	2.10	254.75	242.82
Capital Work In Progress	2.09	257.76	213.22
Goodwill on Consolidation	4.06	229.11	206.94
Non-Current Investments	2.11	8.71	8.38
Deferred Tax Assets	2.12	5.69	4.04
Trade Receivables	2.13	26.31	22.82
Long-Term Loans and Advances	2.14	130.72	109.41
Other Non-Current Assets	2.15	65.58	31.85
Current Assets			
Inventories	2.16	3.44	27.48
Trade Receivables	2.13	520.61	347.35
Cash and Bank Balances	2.17	44.04	54.55
Short-Term Loans & Advances	2.14	215.68	150.44
Other Current Assets	2.15	10.64	12.94
		3,417.99	2,625.42
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants**For and on behalf of the Board****(VIREN THAKKAR)**
Partner**(GANAPATHY SUBRAMANIAM)**
Chief Financial Officer**(JAGDISH KUMAR G PILLAI)**
Managing Director & CEO**(AJAY SINGH)**
Company Secretary & Compliance Officer**(VINAYAK AGGARWAL)**
DirectorMumbai
Dated: May 29, 2014Mumbai
Dated: May 29, 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended **March 31, 2014**

(₹ in Crores unless otherwise stated)

	Notes	Year ended March 31, 2014	Year ended March 31, 2013
INCOME			
Revenue from Operations	3.01	1,583.25	1,132.52
Other Income	3.02	10.50	15.67
		1,593.75	1,148.19
EXPENDITURE			
Purchase of Stock-In-Trade	3.03	13.85	6.11
Changes in Stock-In-Trade (Rupees -27,466 (March 31,2013 : Rupees 926,449))	3.04	(0.00)	0.09
Operational Expenses	3.05	898.50	570.13
Employee Benefits Expense	3.06	122.80	96.05
Other Expenses	3.07	246.70	186.30
		1,281.85	858.68
Earnings before Finance cost, Depreciation, Amortisation and Tax			
Depreciation and Amortisation	3.08	291.24	162.25
Impairment of Tangible / Intangible Assets		8.05	3.81
Finance Cost	3.09	134.51	60.17
Profit / (Loss) before Prior Period Items, Exceptional items and Tax			
Prior Period Expenses (Net)	4.08	2.57	(0.14)
Exceptional Items	3.10	-	7.93
Net Profit / (Loss) before Tax			
Tax Expense:			
Current Tax		15.70	11.46
Deferred Tax		0.55	6.37
Excess/Short provision for taxation for earlier years		(0.02)	0.07
Net Profit / (Loss) for the Year from Continuing Operations			
Amount transferred on change in stake in Subsidiaries/ Joint Ventures		20.81	2.97
Minority Interest		8.79	(24.94)
Profit/ (Loss) Share of Associates		(0.01)	0.08
Net Profit / (Loss) for the Year from Continuing Operations			
Earnings per equity share (nominal value of share ₹10 each) from Continuing and Total operation			
Weighted Average Number of Shares - Basic	4.18	148,182,162	143,173,200
Earning / (Loss) Per Share (In ₹) - Basic		(7.50)	1.10
Weighted Average Number of Shares - Diluted		148,182,162	143,248,990
Earning / (Loss) Per Share (In ₹) - Diluted		(7.50)	1.10
Summary of Significant Accounting Policies			
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants**For and on behalf of the Board****(VIREN THAKKAR)**
Partner**(GANAPATHY SUBRAMANIAM)**
Chief Financial Officer**(JAGDISH KUMAR G PILLAI)**
Managing Director & CEO**(AJAY SINGH)**
Company Secretary & Compliance Officer**(VINAYAK AGGARWAL)**
DirectorMumbai
Dated: May 29, 2014Mumbai
Dated: May 29, 2014

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2014

(₹ in Crores unless otherwise stated)

	Year ended March 31, 2014	Year ended March 31, 2013
1 CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT / (LOSS) BEFORE TAX & PRIOR PERIOD ADJUSTMENTS	(94.88)	33.60
A Adjustment for :		
i Non Cash Charges		
Depreciation / Amortisation / Impairment	299.30	166.05
Provision for Bad & Doubtful Debts	55.63	54.76
Bad Debts (Net)	0.11	2.48
Provision for Bad & Doubtful Advances	1.47	0.98
Amount no longer payable written back	(0.76)	(1.82)
Share of (Profit) / Loss in Partnership firms / associates	0.01	(0.08)
Provision / (Excess Provision Reversed) for leave encashment and gratuity	(0.79)	1.75
Preliminary Expenses Written off	-	0.01
Employee Compensation Expense	-	0.29
Unrealised Foreign Exchange Loss	11.52	(0.26)
Sundry Advances Written off	0.30	0.11
Provision for diminution in value of Investments	0.88	-
Amount transferred on change in stake in Subsidiaries/ Joint Ventures	(20.80)	
Minority Interest	(8.79)	24.94
Provision for Doubtful Advances to Subsidiaries & Associates (Net of adjustments)	-	0.24
Amount transferred on change in stake in Subsidiaries/ Joint Venture	-	(2.96)
Provision for Entertainment Tax of Earlier Years	-	7.84
Reversal of Interest for F.Y 2011-12 pursuant to MCA Circular dated August 9,2012	-	(5.15)
ii Item Considered Separately		
(Profit) / loss on sale of Fixed Assets	4.49	3.92
Interest and Finance Charges	125.48	49.45
Income from Investments	(5.09)	(3.50)
(Profit) / loss on sale of Investments	(2.45)	(3.31)
	460.51	295.74
Operating Profit Before Working Capital	365.63	329.34
B Change in Working Capital		
(Increase) / Decrease in Inventories	24.04	(21.99)
(Increase) / Decrease in Trade Receivable	(244.48)	(178.19)
(Increase) / Decrease in Loans & Advance	(85.26)	(94.11)
Increase / (Decrease) in Current Liabilities & Provisions	212.94	46.18
	(92.76)	(248.11)
Cash Generated from Operations	272.87	81.23
Taxes paid (Net)	(36.10)	(14.93)
Net Cash from Operation Activities	236.77	66.30
2 CASH FLOW FROM INVESTING ACTIVITIES:		
Income from Investments	4.08	2.88
Sale Proceeds of Fixed assets	0.32	0.28
Payment for Fixed Assets	(837.24)	(467.99)
Purchase of Other Investments	(190.40)	(117.22)
Sale Proceeds of Other Investment	191.46	127.85
Net cash flow from/ (used in) Investing activity	(831.78)	(454.20)

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2014 (Contd.)

(₹ in Crores unless otherwise stated)

	Year ended March 31, 2014	Year ended March 31, 2013
3 CASH FLOW FROM FINANCING ACTIVITIES		
Interest and Finance Charges	(118.77)	(47.47)
Issue of Share Capital (Including Premium)	249.45	3.70
Share Issue Expenses	(1.79)	-
Preference Share Redeemed	-	(0.05)
Loan Funds Borrowed	669.82	386.96
Loan Repaid	(249.51)	(60.14)
Short Term Borrowing (Net)	31.09	54.90
Net cash Realised from Financing Activities	580.29	337.90
Net increase in Cash and Cash equivalent	(14.72)	(50.00)
Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year	46.00	96.00
Cash & Cash equivalents (Net of Book Overdraft) at the end of year	31.28	46.00
Components of cash and cash equivalents		
Balances with Banks:		
In Current Accounts	16.79	23.54
Credit Balance in Bank Accounts	(1.77)	(6.59)
Fixed Deposits with original maturity of less than 3 months	0.68	0.30
Cheques on hand	1.54	8.35
Cash in hand	14.04	20.40
Total cash and cash equivalents	31.28	46.00

Note:

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

As per our report of even date

For G. M. Kapadia & Co.

Chartered Accountants

(VIREN THAKKAR)

Partner

(GANAPATHY SUBRAMANIAM)

Chief Financial Officer

For and on behalf of the Board**(JAGDISH KUMAR G PILLAI)**

Managing Director & CEO

(AJAY SINGH)

Company Secretary & Compliance Officer

(VINAYAK AGGARWAL)

Director

Mumbai

Dated: May 29, 2014

Mumbai

Dated: May 29, 2014

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

These Significant Accounting policies and notes to accounts form part of the Consolidated Financial Statements for the year ended March 31, 2014. The consolidated financial statement comprises of Hathway Cable and Datacom Limited (“The Company”) and its subsidiaries, joint ventures and associates (collectively referred to as “The Group”).

Company overview

Hathway Cable and Datacom Limited (the Company) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is Multi System Operator (MSO) and engaged in distribution of television channels through analog and digital cable distribution network and internet services through cable. Its equity shares are listed on National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange Limited (BSE) in India.

1.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.01 METHOD OF ACCOUNTING AND BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, on the basis of going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956 notified by MCA vide its notification no. 447(E) dated February 28, 2011. Based on the nature of services rendered by the Company and realisation of consideration in cash and cash equivalents, the Company has ascertained its Operating Cycle as less than 12 months for the purpose of current – non-current classification of assets and liabilities.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.02 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are prepared in accordance with Accounting Standard 21 – “Consolidated Financial Statements”, Accounting Standard 23 – “Accounting for Investments in Associates in Consolidated Financial Statements” and Accounting Standard 27 – “Financial Reporting of Interests in Joint Ventures” as notified by the Companies (Accounting Standard) Rules, 2006.

The excess of the cost to the Company of its investment, over the Company’s portion of net assets at the time of acquisition of shares is recognised in the financial statements as Goodwill. The excess of Company’s portion of net assets over the cost of investment therein is treated as Capital Reserve.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible, are made in the consolidated financial statements and are presented in the same manner as the Company’s standalone financial statements. The figures pertaining to the Subsidiary Companies have been recast/ reclassified wherever necessary to bring them in line with the parent Company’s financial statements.

The financial statements of the subsidiaries, joint ventures and associates used in the consolidation are drawn up to the same reporting date as that of the Company.

The Notes and Significant accounting policies to the Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the Group. In this respect, the Company has disclosed such notes and policies which fairly present the needed disclosures, and such other notes and statutory information disclosed in the financial statements of the parent and the subsidiary companies which are not having any effect on the true and fair view of the Consolidated Financial Statements are excluded.

(a) Subsidiaries

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding

together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions. The unrealised profits or losses resulting from the intra-group transactions have been eliminated and unrealised losses resulting from the intra-group transactions have also been eliminated unless cost cannot be recovered.

Share of minority interest in the net profit of the consolidated subsidiaries is identified and adjusted against the profit after tax to arrive at the net income attributable to shareholders. Share of minority interest in losses of the consolidated subsidiaries, if exceeds the minority interest in the equity, the excess and further losses applicable to the minority, are adjusted against the Group's interest. Share of minority interest in net assets of consolidated subsidiaries is presented in the consolidated balance sheet separately from liabilities and the equity of the Company's shareholders.

(b) Associates

Investments in entities in which the Company directly or indirectly through subsidiaries has significant influence but does not have a controlling interest, are accounted for using equity method i.e. the investment is initially recorded at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the Group's share of net assets of the associates. The consolidated statement of profit & loss includes the Group's share of the results of the operations of the associate.

(c) Joint venture

Interests in joint venture have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures as notified by the Rules. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its independent financial statements.

1.03 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenue and expenses during the reported period. Such estimates are on a reasonable and prudent basis taking into account all available information; actual results could differ from estimates. Differences on account of revision of estimates actual outcome and existing estimates are recognised prospectively once such results are known / materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

1.04 FIXED ASSETS

a) Tangible Assets

- (i) The fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, non refundable taxes and all expenses incurred in bringing the assets to its present location and condition for its intended use and includes installation and commissioning expenses. The indirect expenditure incurred during the pre-commencement period is allocated proportionately over the cost of the relevant assets.
- (ii) Set Top Boxes (STBs) and Internet Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalised or treated as sale as the case may be.
- (iii) Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

b) Intangible Assets

- (i) Intangible assets are recognised 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 amortisation and impairment losses.
- (ii) The amortisation period and the amortisation method are reviewed at least at each financial year-end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

- (iii) Intangible assets comprises of Cable Television Franchise, Movie & Serial Rights, Bandwidth Rights, Goodwill and Softwares.
- (iv) 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.
- c) Fixed Asset not in active use and held for sale is classified under "Other Non Current Assets" and are recognised at the lower of their carrying amount or market value less cost to sell.

1.05 DEPRECIATION / AMORTISATION

- a) Depreciation on tangible fixed assets, except STBs, is computed on written down value method, at the rates prescribed in Schedule XIV to the Companies Act, 1956. 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 or disposal, as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- b) The cost of STBs are depreciated on straight-line method over a period of eight years except STBs deployed in Conditional Access System (CAS) notified areas. Such STBs are depreciated over a period of five years.
- c) The intangible assets are amortised on a straight line basis over their expected useful lives as follows:
 - (i) Cable Television Franchise is amortised over a period of twenty years.
 - (ii) Non Compete Fees classified as Goodwill is amortised over the non-compete period stated in the underlying agreements and in absence of the same, over ten years.
 - (iii) Goodwill arising on transfer of business of subsidiaries is fully amortised in the same year.
 - (iv) Goodwill other than mentioned above is amortised over the specific tenor of the relevant agreement and in absence of such tenor, over ten years.
 - (v) Softwares are amortised over the license period and in absence of such tenor, over five years.
 - (vi) Movie & Serial Rights are amortised on exploitation over the balance license period in equal installments.
 - (vii) Bandwidth Rights are amortised over the period of the underlying agreements.

1.06 INVESTMENTS

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

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

a) Long-Term Investments

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

b) Current Investments

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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.07 INVENTORIES

Inventories are valued as follows:

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

Stock-in-trade comprising of access devices are valued at cost on weighted average method or at net realisable value, whichever is lower.

1.08 BORROWING COSTS

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

1.09 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

1.10 EMPLOYEE BENEFITS

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

1.11 EMPLOYEE STOCK OPTION SCHEME

Stock options granted to the employees under the stock options schemes are accounted as per the accounting treatment prescribed by the guidance note on Employee share based payments issued by the Institute of Chartered Accountants of India and SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Accordingly, the excess of fair price on the date of grant over the exercise price is recognised uniformly over vesting period of the option.

1.12 ACCOUNTING FOR LEASES

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

a) As Lessee – Operating Lease

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

b) As Lessor – Operating Lease

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

c) As Lessee – Finance Lease

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

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

1.13 REVENUE RECOGNITION

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

INCOME FROM SERVICES

Subscription income includes subscription from Subscribers / Cable Operators relating to cable TV, Internet, activation of devices and from broadcasters relating to the placement of channels. Revenue from Operations is recognised on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties except to the extent stated against (d) hereunder.

Revenue from prepaid Internet Service plans, which are active at the year-end, is recognised on time proportion basis. In other cases of prepaid Internet Service plans, entire revenue is recognised in the year of sale.

The revenue relating to Conditional Access System (CAS), which was in force in certain part of Mumbai and Delhi till introduction of Digital Addressable System (DAS) is governed by TRAI and the same is recognised in accordance with prescribed regulations.

The revenue relating to Digital Addressable System (DAS) is governed by TRAI and the same is to be recognised in accordance with prescribed regulations. (Refer Note No. 4.20)

Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the Company. In cases where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Company recognises revenue as per invoice raised. Adjustments for the year, if any, arising on settlement is adjusted against the revenue. Other cases are reviewed by the management periodically and provision for doubtful debts is made wherever ultimate realisation is considered uncertain.

Advertisement revenue is accrued on the release of the advertisements for public viewing. Marketing support fees is recognised based on underlying terms of agreement and proportionately with the degree of completion of services under such agreement.

Lease rentals are recognised on accrual basis over the terms of related agreements.

The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

SALE OF GOODS

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

OTHER OPERATING INCOME

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

INTEREST INCOME

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

1.14 TAXATION

- a) Provision for Current Tax is made on the basis of taxable profits computed for the current accounting year in accordance with the Income Tax Act, 1961.
- b) Deferred Tax is calculated at the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognised on timing difference that originate in one period and are capable of reversal in

one or more subsequent periods. Deferred Tax assets are recognised on carry forward of unabsorbed depreciation and tax losses, only if, there is virtual certainty that such deferred tax assets can be realised against future taxable income. Other deferred tax assets are recognised only to the extent that there is a reasonable certainty of realisation in future.

1.15 FOREIGN CURRENCY TRANSACTIONS

- a) Foreign currency transactions are recorded at the exchange rate prevailing at the date of transactions. Exchange difference arising on settlement of transactions is recognised as income or expense in the year in which they arise except for transactions covered under (c) below.
- b) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at the year-end rate and difference in translations and realised gains / (losses) on foreign currency transactions are recognised in the statement of profit & loss except for transactions covered under (c) below.
- c) The exchange difference in respect of long-term monetary items arising in respect of accounting period commencing on or after December 07, 2006 to the extent they relate to the acquisition of depreciable capital assets are added to or deducted from the cost of the assets and are depreciated over the balance life of the assets.
- d) The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

1.16 EARNINGS PER SHARE (EPS)

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

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

1.17 IMPAIRMENT

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

1.18 MEASUREMENT OF EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

1.19 CASH AND CASH EQUIVALENTS

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.01 SHARE CAPITAL	As at March 31, 2014	As at March 31, 2013
SHARE CAPITAL		
Authorised Capital		
199,800,000 (March 31, 2013: 199,800,000) Equity Shares of ₹ 10 (10) each	199.80	199.80
200,000 (March 31, 2013: 200,000) Non- Cumulative Redeemable Preference Shares of ₹ 10 (10) each	0.20	0.20
	200.00	200.00
Issued, Subscribed and Paid up Capital		
151,998,900 (March 31, 2013: 143,173,200) Equity Shares of ₹ 10 (10) each fully paid-up	152.00	143.17
	152.00	143.17

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

(₹ in Crores unless otherwise stated)

	As at March 31, 2014 Number	As at March 31, 2014 Amount	As at March 31, 2013 Number	As at March 31, 2013 Amount
Equity Shares of ₹ 10 each				
Shares Outstanding at the beginning of the year	143,173,200	143.17	142,857,100	142.86
Shares Issued during the year under ESOP	29,700	0.03	316,100	0.31
Shares Issued during the year under Preferential allotment	8,796,000	8.80	-	-
Shares Bought back/ Other movements during the year	-	-	-	-
Shares Outstanding at the end of the year	151,998,900	152.00	143,173,200	143.17
0% Non-Cumulative Redeemable Preference Shares of ₹ 10 each				
Shares Outstanding at the beginning of the year	-	-	48,000	0.05
Shares Issued during the year	-	-	-	-
Shares Redeemed during the year	-	-	48,000	0.05
Shares Outstanding at the end of the year	-	-	-	-

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

	As at March 31, 2014 No. of Shares	As at March 31, 2013 No. of Shares
Bonus Shares		
Equity shares of ₹ 10 each allotted as fully paid bonus shares by capitalisation of Securities Premium Account in the year 2009-2010	74,236,874	74,236,874
	74,236,874	74,236,874

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2013
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 10 each				
Mr. Akshay Raheja	24,282,600	15.98	24,282,600	16.96
Mr. Viren Raheja	23,910,600	15.73	23,910,600	16.70
Hathway Investments Private Limited	16,369,003	10.77	14,964,003	10.45
Providence Equity Advisors Mauritius Limited	14,143,552	9.31	14,143,552	9.88
Macquarie Bank Limited	10,556,644	6.95	10,556,644	7.37
Reliance Capital Trustee Company Limited	-	-	12,145,942	8.48
Spur Cable and Datacom Private Limited	7,650,000	5.03	7,650,000	5.34

d) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

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

e) Shares reserved for issue under options

161,299 number of equity shares (as at March 31, 2013 : 265,299 equity shares) of ₹ 10 each towards outstanding employees stock option granted/ available for grant. Refer Note 4.07

(₹ in Crores unless otherwise stated)

2.02 RESERVES & SURPLUS	As at March 31, 2014	As at March 31, 2013
Capital Reserve		
Opening Balance	0.10	0.10
Add: Addition during the year	-	-
Less: Written back during the year	-	-
	0.10	0.10
Securities Premium		
Balances as at the beginning of the year	1,204.86	1,199.97
Add: Securities premium credited on Share issue	241.47	4.89
Less: Deduction during the year	1.79	-
Balances as at the end of the year	1,444.54	1,204.86
Employee Stock Options Outstanding Account		
Balances as at the beginning of the year	1.28	2.49
Add: Compensation for options during the year (net)	-	0.29
Less: Deduction during the year	0.50	1.50
Balances as at the end of the year	0.78	1.28
Surplus/ (Deficit) In the Statement of Profit and Loss		
Balance at the beginning of the year	(527.01)	(542.71)
Add : Net Profit/ (Loss) for the year	(111.11)	15.70
Less : Appropriations	-	-
Deficit in the Statement of Profit and Loss	(638.12)	(527.01)
	807.30	679.23

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.03 LONG TERM BORROWINGS	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Term Loans				
Secured				
From Banks	109.34	57.61	29.42	45.24
From Financial Institutions	112.50	13.04	43.75	26.91
From Others	189.68	179.87	40.53	4.42
External Commercial Borrowings				
Secured	-	-	-	0.82
Buyers Credit				
Secured	370.17	210.04	134.24	41.36
Deferred payment liabilities				
Secured	14.04	-	14.03	81.60
Finance Lease Obligations				
Secured	215.99	176.27	84.06	41.84
Vehicle Loans from Banks				
Secured	0.56	0.48	0.41	0.73
Other Loans and Advances				
Unsecured	2.00	31.77	-	-
	1,014.28	669.08	346.44	242.92
Amount disclosed under the head 'Other Current Liabilities' (Note No. 2.08)				
- Current maturities of Long-Term Debts	-	-	262.38	201.08
- Current maturities of Finance Lease Obligations	-	-	84.06	41.84
Net Amount	1,014.28	669.08	-	-
The above amount includes				
Aggregate amount of Secured Borrowings	1,012.28	637.31	-	-
Aggregate amount of Unsecured Borrowings	2.00	31.77	-	-

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

Nature of Security	Terms of Repayment
i Term Loan from Banks	
a) Terms loan from Yes Bank Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 37.50) were secured by,	The loan was prepaid during the year.
1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	
2) pari passu hypothecation of present & future Current Assets of the Company.	
3) undertaking given by Promoters of the Company for non-disposal of their shareholding in the Company so long as Term Loan is outstanding.	
b) Terms loan from ICICI Bank Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 6) were secured by pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	The loan was prepaid during the year.
c) Terms loan from Bank of India Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 17.50) were secured by,	The loan was prepaid during the year.
1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	
2) pari passu hypothecation of present & future Current Assets of the Company.	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
d) Terms loan from HDFC Bank Ltd. amounting to ₹ 56.25 (March 31, 2013: ₹ NIL) are secured by,	Principal repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown. Interest is payable on monthly basis. Applicable Rate of Interest is HDFC Bank Base rate + 2.55%.
1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	
2) pari passu hypothecation of present & future Current Assets of the Company.	
e) Terms loan from ING Bank Ltd. amounting to ₹ 15 (March 31, 2013: ₹ NIL) are secured by,	Principal repayable on completion of 3 years from the date of drawdown. Interest is payable on monthly basis. Applicable Rate of Interest is ING Vysya Bank Base rate + 1.95%.
1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	
2) pari passu hypothecation of present & future Current Assets of the Company.	
f) Terms loan from Axis Bank Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 2.62) were secured by,	The loan was repaid during the year.
1) First Pari Passu Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company,	
2) First Pari Passu Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company,	
3) Corporate Guarantee of the Company.	
g) Terms loan from Axis Bank Ltd. amounting to ₹ 5.01 (March 31, 2013: ₹ 7.50) are secured by,	Principal Repayable in 16 equal quarterly installments of ₹ 0.63 with 1st installment commencing from June 1, 2012. Interest is payable on Monthly basis. Applicable Rate of Interest is Axis Bank Base Rate + 4%.
1) First Pari Passu Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company,	
2) Second Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company,	
3) Corporate Guarantee of the Company.	
h) Terms loan from Axis Bank Ltd. amounting to ₹ 12.06 (March 31, 2013: ₹ 12.06) are secured by,	Principal Repayable in 16 equal quarterly installments of ₹ 0.63 with 1st installment commencing from June 30, 2014. Interest is payable on Monthly basis. Applicable Rate of Interest is Axis Bank Base Rate + 3.75%.
1) First Pari Passu Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company,	
2) Second Charge by way of Hypothecation of entire Current Assets belonging one of the Subsidiary Company,	
3) Personal Guarantee of one of the Director of the Subsidiary Company and Corporate Guarantee of the Company.	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
i) Terms loan from Axis Bank Ltd. amounting to ₹ 15.00 (March 31, 2013: ₹ NIL) are secured by,	Principal Repayable in 16 equal quarterly installments of ₹ 0.94 with 1st installment commencing from Jan 05, 2015. Interest is payable on Monthly basis. Applicable Rate of Interest is Axis Bank Base Rate + 3.75%.
1) Second Paripassu Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company,	
2) Extention of First Charge on the specific immovable properties of one of the Subsidiary Company of Market Value ₹ 18.66 already charged to existing TLs/ Capex LC/ SBLC/ LER facilities.	
3) First Charge on Fixed Deposit of ₹ 1.08 of one of the Subsidiary Company,	
4) Personal guarantee of Director of one of the Subsidiary Company,	
j) Terms loan from Yes Bank Ltd. amounting to ₹ 2.50 (March 31, 2013: ₹ 7.50) are secured by,	Principal Repayable in 8 equal quarterly installments of ₹ 1.25 with 1st installment commencing from Oct 28, 2012. Interest is payable on Monthly basis. Applicable Rate of Interest is Yes Bank Base Rate + 4%.
1) First Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company,	
2) First Pari Passu Charge by way of Hypothecation of entire Current Assets belonging one of the Subsidiary Company,	
3) Non disposal undertaking by Director of one of the Subsidiary Company and the Company	
4) Shortfall undertaking from one of the Directors of one of the Subsidiary Company and the Company for repayment of Principal and Interest.	
k) Terms loan from Yes Bank Ltd. amounting to ₹ 7.00 (March 31, 2013: ₹ 10.00) are secured by,	Principal Repayable in 10 equal quarterly installments of ₹ 1.00 with 1st installment commencing from Aug 12, 2013. Interest is payable on Monthly basis. Applicable Rate of Interest is Yes Bank Base Rate + 4%.
1) First pari Passu charge on movable Fixed Assets of one of the Subsidiary Company,	
2) Second Pari Passu Charge on Current Assets of one of the Subsidiary Company,	
3) Personal guarantee of Director of one of the Subsidiary Company,	
4) Non Disposal undertaking by Director of one of the Subsidiary Company and the Company	
5) Shortfall undertaking from Director of one of the Subsidiary Company and the Company for repayment of principal and interest.	
6) Exclusive Charge on by way of mortgage of property of one of the Subsidiary Company, situated in Ahmedabad.	
l) Terms loan from Yes Bank Ltd. amounting to ₹ 18.89 (March 31, 2013: ₹ NIL) are secured by,	Principal Repayable in 18 equal quarterly installments of ₹ 1.11 with 1st installment commencing from Feb 24, 2014. Interest is payable on Monthly basis. Applicable Rate of Interest is Yes Bank Base Rate + 3.25%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
1) First pari Passu charge on movable Fixed Assets of one of the Subsidiary Company,	
2) Second Pari Passu Charge on Current Assets of one of the Subsidiary Company,	
3) Personal guarantee of Director of one of the Subsidiary Company,	
4) Non Disposal undertaking by Director of one of the Subsidiary Company and the Company	
5) Shortfall undertaking from Director of one of the Subsidiary Company and the Company for repayment of principal and interest.	
6) Exclusive Charge on by way of mortgage of property of one of the Subsidiary Company situated in Ahmedabad.	
7) Pledge of equity shares of 10% of one of the Subsidiary Company i.e. GTPL Hathway Private Limited which are owned /held by Mr. Anirudhsinh Jadeja /Mr. Kanaksinh Rana/M/s. Gujarat Digicom Pvt. Ltd.	
m) Terms loan from Dhanlaxmi Bank Ltd. amounting to ₹ 1.46 (March 31, 2013: ₹ 1.57) are secured by,	Principal Repayable in 120 monthly instalments gradually increasing from ₹ 0.01 to 0.03 with 1st installment commencing from Feb 15, 2011. Interest is payable on Monthly basis. Applicable Rate of Interest is Dhanlaxmi Base Rate + 4.5%.
1) Exclusive first Charge on by way of mortgage of property of one of the Subsidiary Company situated at Ganga Apartment, Golaghalla Road, Kolkkata.	
n) Terms loan from Dhanlaxmi Bank Ltd. amounting to ₹ 0.59 (March 31, 2013: ₹ 0.60) are secured by,	Principal Repayable in 180 monthly instalments gradually increasing from ₹ 0.01 to 0.01 with 1st installment commencing from Jun 15, 2011. Interest is payable on Monthly basis. Applicable Rate of Interest is Dhanlaxmi Base Rate + 3%.
1) Exclusive first Charge on by way of mortgage of property of one of the Subsidiary Company situated at Bapunagar, Ahmedabad of the Company.	
o) Terms loan from HDFC Bank amounting to ₹ 5.00 (March 31, 2013: ₹ NIL) are secured by,	366 days wef. Date of first disbursement the Company has option to repay earlier, at 3 working days' notice. Interest Term 13.50 %.
1) Pledge of 4,23,250 shares of one of the Subsidiary Company valued at ₹ 53 Crores.	
ii Term Loan from Financial Institutions	
a) Terms loan from IDFC Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 18.07) were secured by,	The loan was prepaid during the year.
1) pari passu hypothecation of present & future movable & immovable Fixed Assets of the Company.	
2) pari passu hypothecation of present & future Current Assets of the Company.	
3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature.	
4) First charge on the uncalled capital of the Company.	
5) Lien on NIL (March 31, 2013: 3,500,000 units of IDFC Fixed Term Plan Series 13- Regular Plan- Growth)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
b) Terms loan from IDFC Ltd. amounting to ₹ 6.25 (March 31, 2013: ₹ 21.88) are secured by,	Principal repayable in 16 equal quarterly installments of ₹ 9.38 commencing from April 15, 2014. Interest is payable on monthly basis at 3 year IDFC Benchmark rate + 3% (March 31, 2013: NIL).
1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
2) pari passu hypothecation of the present & future Current Assets of the Company.	
3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature.	
4) First charge on the uncalled capital of the Company.	
5) Lien on Fixed Deposits with Bank of ₹ 2.70 (March 31, 2013: ₹ 2.70)	
c) Terms loan from IDFC Ltd. amounting to ₹ 150.00 (March 31, 2013: ₹ NIL) are secured by,	Principal repayable in 16 equal quarterly installments of ₹ 9.38 commencing from April 15, 2014. Interest is payable on monthly basis at 3 year IDFC Benchmark rate + 3% (March 31, 2013: NIL).
1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
2) pari passu hypothecation of the present & future Current Assets of the Company.	
3) pari passu first charge on present & future book debts, operating cash flows, receivables, revenues of whatsoever nature.	
4) First charge on the uncalled capital of the Company.	
5) Lien on Fixed Deposits with Bank of ₹ 18.64 (March 31, 2013: ₹ NIL)	
iii Term Loan from others	
a) Terms loan from HDFC Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 9.29) were secured by, pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	The loan was prepaid during the year.
b) Terms loan from HDFC Ltd. amounting to ₹ 142.71 (March 31, 2013: ₹ 125.00) are secured by,	Principal repayable in 16 equal quarterly installments of ₹ 12.17 along with Interest commencing from May 23, 2014. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC PLR - 4.50%.
1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
2) pari passu hypothecation of the present & future Current Assets of the Company.	
c) Terms loan from GE Money Financial Services Pvt. Ltd. amounting to ₹ 87.50 (March 31, 2013: ₹ 50.00) are secured by,	Principal repayable in 16 equal quarterly installments of ₹ 6.25 each commencing at the end of 15 months from the date of drawdown done in 4 tranches. Interest is payable on Monthly basis. Applicable Interest rate is SBI Base Rate + 2.80%.
1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
2) pari passu hypothecation of the present & future Current Assets of the Company.	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
iv External Commercial Borrowings	
a) External Commercial Borrowings from Banks amounting to ₹ NIL (March 31, 2013: ₹ 0.82) were secured by, pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	The loan was repaid during the year.
v Buyers Credit	
a) Buyers Credit from Axis Bank Ltd. amounting to ₹ 202.70 (March 31, 2013: ₹ 75.91) are secured by, (Out of the same ₹ 98.10 (March 31, 2013 ₹ 16.81) is a sub-limit of Term loan of ₹ 100.00) hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future.	Principal repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown. (An amount of ₹ 98.10 (March 31, 2013 ₹ 16.81) is a sub-limit of Term loan sanctioned of ₹ 100.00 repayable in 12 equal quarterly instalments from the 27th month of opening of capex LC either in the form of cash margin or actual repayment i.e. (May 11, 2015).
b) Buyers Credit from Yes Bank Ltd. amounting to ₹ 134.72 (March 31, 2013: ₹ 110.10) are secured by,	Principal repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.
1) pari passu hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future.	
2) Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit & additional 10% at the end of 2 years.	
c) Buyers Credit from ING Vysya Bank Limited amounting to ₹ 28.23 (March 31, 2013: ₹ 12.69) (Out of the same ₹ 14.98 {March 31, 2013 ₹ NIL} is fungible with term loan of ₹ 100.00) are secured by,	Principal repayable with Interest on completion of 3 years from the date of drawdown. Interest is payable on half yearly basis. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.
1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
2) pari passu hypothecation of the present & future Current Assets of the Company.	
d) Buyers Credit from ING Bank N.V., Singapore amounting to ₹ 95.64 (March 31, 2013: ₹ 42.94) are secured by,	Principal repayable on completion of 3 years from the date of underlying shipment/ drawdown. Applicable Rate of Interest is 6 months JPY LIBOR + 3.50% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.
1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
2) pari passu hypothecation of the present & future Current Assets of the Company.	
e) Buyers Credit from Axis Bank Limited amounting to ₹ 34.57 (March 31, 2013: ₹ 9.77) are secured by,	Principal repayment with interest on completion of six months with roll over period of 2 to 3 years from the date of underlying shipment. Applicable Rate of Interest is 6 months LIBOR + Spread rate ranging from 0.65% to 2.10% bppa.
1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of one of the Subsidiary Company.	
2) pari passu hypothecation of the present & future Current Assets of one of the Subsidiary Company.	
3) Personal Guarantee of Director of one of the Subsidiary Company and Corporate Guarantee of the Company	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
f) Buyers Credit from SBER Bank Ltd. Amounting to ₹ 7.15 (March 31, 2013 ₹ NIL) are secured by	Principal repayment with interest on completion of six months with roll over period of 3 years from the date of underlying shipment. Applicable Rate of Interest is 2.58% p.a.
1) Exclusive First charge on Property of one of the Subsidiary Company at Baroda	
2) Personal guarantee one of the Director of the Subsidiary Company	
g) Buyers Credit from Axis Bank Limited amounting to ₹ 1.40 (March 31, 2013: ₹ NIL) are secured by,	Principal repayable with Interest on completion of 3 years from the date of drawdown. Interest is payable on half yearly basis. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.
1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of one of the Subsidiary Company.	
2) pari passu hypothecation of the present & future Current Assets of one of the Subsidiary Company.	
3) Personal Guarantee of Director of one of the Subsidiary Company and Corporate Guarantee of the Company	
vi Deferred payment liabilities	
a) Deferred payment liabilities amounting to ₹ NIL (March 31, 2013: ₹ 81.60):	
1) Ericsson Television Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 19.76) were secured by Usance Letter of Credit issued by a bank.	The liability was repaid during the year.
2) NDS Ltd. amounting to ₹ NIL (March 31, 2013: ₹ 61.84) were secured by Usance Letter of Credit issued by a bank.	The liability was repaid during the year.
b) Deferred Payment Liability amounting to ₹ 28.07 (March 31, 2013: ₹ NIL):	Principal amount repayable within 2 years along with interest. Applicable rate of interest is 4%
1) Fujian Newland Comm. Science Technology Co. Ltd amounting to ₹ 28.07 (March 31, 2013: ₹ NIL).	
vii Finance Lease Obligations	
a) Cisco System Capital (India) Pvt. Ltd. - Finance Lease amounting to ₹ 157.07 (March 31, 2013: ₹ 62.79) secured by hypothecation of underlying assets taken on lease	Principal with Interest is payable in quarterly installments over the period of 5 years from inception of lease agreement. Applicable Rate of Interest varies between 9% - 10% p.a.
b) Cisco System Capital (India) Pvt. Ltd. - Finance Lease amounting to ₹ 0.31 (March 31, 2013: ₹ 0.48) secured by hypothecation of underlying assets taken on lease and Collateral security has been given by directors of one of the Subsidiary Company by way of guarantee.	Principal amount with interest is payable in 36 monthly installements starting from the month in which lease taken i.e. January 2013. Effective rate of interest ranging between 11.5% -12.5% p.a.
c) Cisco Systems Capital India (Private) Limited - Finance Lease amounting to ₹ 77.43 (March 31, 2013: ₹ 74.47) is secured against Set Top Boxes purchased under lease by one of the Subsidiary Company and Corporate guarantee of the Company.	Principal with Interest is payable in quarterly instalments over the period of 5 years. Applicable Rate of Interest varies between 9% - 10% p.a.
d) Cisco Systems Capital India (Private) Limited - Finance Lease amounting to ₹ 65.24 (March 31, 2013: ₹ 80.38), is secured against Set Top Boxes purchased under lease by one of the Subsidiary Company and Corporate guarantee of of one of the Subsidiary Company.	Principal with Interest is payable in quarterly instalments over the period of 5 years. Applicable Rate of Interest varies between 9% - 10% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
viii Vehicle Loans from Banks	
a) Vehicle Loan amounting to ₹ NIL (March 31, 2013: ₹ 0.02) were secured by Hypothecation of Vehicles.	The loan was repaid during the year.
b) Vehicle Loan from Axis Bank amounting to ₹ 0.003 (March 31, 2013: ₹ 0.01).	Loan repayable within the period of 36 months installments along with interest. Applicable rate of interest is 11.42% p.a.
c) Vehicle Loan from HDFC Bank amounting to ₹ NIL (March 31, 2013 : ₹ 0.02) were secured against Hypothecation of Vehicles	The loan was repaid during the year.
d) Vehicle Loan from Tata Capital Limited amounting to ₹ 0.06 (March 31, 2013 : ₹ 0.08) are secured against Hypothecation of Vehicles.	Loan repayable in 60 monthly installment along with interest. Applicable rate of interest is 9.71% p.a
e) Vehicle Loans from HDFC Bank amounting to ₹ 0.01 (March 31, 2013 : ₹ NIL) are secured against Hypothecation of Vehicles.	Loan repayable in 60 monthly installment along with interest. Applicable rate of interest is 9.71% p.a
f) Vehicle Loan taken from various Banks totalling to ₹ 0.86 (March 31, 2013: ₹ 1.04) are secured against respective vehicle under the Hire Purchase Contract.	Principal amount repayable over 36 - 60 months on monthly rests along with Interest. Applicable rate of interest is in the range of 12 - 15% p.a.
g) Vehicle Loans from Axis Bank amounting to ₹ 0.04 (March 31, 2013: ₹ 0.5) are secured by Hypothecation of Vehicles.	Loan repayable in 60 monthly installment along with interest. Applicable rate of interest is 10 - 12% p.a
ix Unsecured- Others	
Other Loans & Advances - Unsecured	Principal amount repayable after 12 months as per mutual consent. No Interest is payable on the loans.

(₹ in Crores unless otherwise stated)

2.04 DEFERRED TAX LIABILITY	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liabilities		
Unabsorbed Depreciation	45.68	45.68
Disallowances Under Income Tax Act 1961	0.03	1.32
Carried Forward Losses (Rupees 20,619 (March 31, 2013; Rupees Nil))	-	-
Provision for Doubtful Debts	0.29	0.31
Others	0.14	7.14
Deferred Tax Assets		
Difference between book and tax depreciation	69.07	75.18
	22.93	20.73

(₹ in Crores unless otherwise stated)

2.05 OTHER LONG-TERM LIABILITIES	As at March 31, 2014	As at March 31, 2013
Others		
Income received in advance (Refer Note No. 2.08)	4.17	0.64
Security Deposits (Refer Note No. 2.08)	14.69	9.26
	18.86	9.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.06 SHORT TERM BORROWINGS

	As at March 31, 2014	As at March 31, 2013
Loans repayable on demand		
Secured		
Working Capital Loans repayable on demand from a bank	21.10	13.00
Cash Credit with banks	74.50	61.50
Unsecured Loan		
Others	11.68	1.68
	107.28	76.18

(a) Nature of Security for secured borrowings :

Nature of Borrowing	Nature of Security
i WORKING CAPITAL	
a) Working Capital Demand Loan from ING Vysya Bank Ltd. outstanding ₹ 6.00 (March 31, 2013: ₹ 13.00)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
b) Terms loan from Axis Bank Ltd. amounting to ₹ 0.10 (March 31, 2013: ₹ NIL) are secured by,	a) pari passu hypothecation of present & future movable and immovable Fixed Assets and Current Assets of one of the Subsidiary Company b) Personal Guarantee of one of the Director of the Subsidiary Company and Corporate Guarantee of the Company
c) Working Capital Demand Loan with SBER Bank of India outstanding ₹ 15.00 (March 31, 2013 ; ₹ NIL)	a) Pari Passu First Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company. b) Second pari passu charge on the entire movable fixed assets of one of the subsidiary company.
ii CASH CREDIT	
a) Cash Credit with Axis Bank Ltd outstanding ₹ 40.49 (March 31, 2013: ₹ 21.81)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
b) Cash Credit with Yes Bank Ltd amounting to ₹ 6.17 (March 31, 2013: ₹ 5.15)	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. b) pari passu hypothecation of present & future Current Assets of the Company.
c) Cash Credit with Axis Bank Ltd outstanding ₹ 1.17 (March 31, 2013 : ₹ 3.39)	a) Hypothecation of Book Debts & all Fixed Assets of one of the Subsidiary Company. b) Corporate guarantee of the Company
d) Cash Credit with Axis Bank Ltd outstanding ₹ 4.58 (March 31, 2013 : ₹ 4.52).	a) First charge on the present and future current assets of one of the Subsidiary Company. b) Extension of hypothecation of Fixed Assets of one of the Subsidiary Company.
e) Cash Credit with Axis Bank Ltd outstanding ₹ 0.35 (March 31, 2013 : ₹ 0.22).	a) Secured by first charge on the Current Assets belonging to one of the Subsidiary Company,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Borrowing	Nature of Security
f) Cash Credit with Axis Bank Ltd. outstanding ₹ 13.90 (March 31, 2013 ₹ 19.00)	a) Secured by first pari passu charge on the Current Assets belonging to one of the Subsidiary Company, b) Second pari passu charge on the present and future moveable Fixed Assets and specific immovable properties of one of the Subsidiary Company.
	c) Personal Guarantee of one of the Director of the Subsidiary Company and Corporate Guarantee of the Company.
g) Cash Credit with IDBI Bank Ltd. outstanding ₹ 4.61 (March 31, 2013: ₹ 6.97)	a) Secured by first pari passu charge on the entire Current Assets of one of the Subsidiary Company, b) Second pari passu charge on the present and future moveable Fixed Assets and specific immovable properties of one of the Subsidiary Company, c) Personal Guarantee of three Directors of the Subsidiary Company and Corporate Guarantee of one of the Shareholder Company of the Subsidiary Company.
h) Cash Credit with Central Bank of India with outstanding ₹ 3.22 (March 31, 2013: ₹ NIL)	a) Pari Passu First Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company. b) Second pari passu charge on the entire movable fixed assets of one of the Subsidiary Company.

(₹ in Crores unless otherwise stated)

2.07 SHORT TERM PROVISIONS	Long-term		Short-term	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Provision for Employee Benefits				
Gratuity	0.49	0.62	0.59	0.23
Bonus	-	-	0.30	0.68
Leave Encashment	1.06	0.80	6.71	7.99
Other Employee Benefits	-	-	3.54	-
Others				
Provision for Income Tax (Net)	0.65	-	2.53	3.07
	2.20	1.42	13.67	11.97

(₹ in Crores unless otherwise stated)

2.08 OTHER CURRENT LIABILITIES	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Trade Payables				
Micro and Small Enterprises*	-	-	-	0.02
Others	-	-	244.63	184.86
	-	-	244.63	184.88
Current maturities of Long-Term Debts (Refer note no. 2.03)	-	-	262.39	201.08
Current maturities of Finance Lease Obligations (Refer note no. 2.03)	-	-	84.06	41.84
Interest accrued but not due on borrowings	-	-	5.63	3.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.08 OTHER CURRENT LIABILITIES (Contd.)	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Credit Balances in Current Account with Bank	-	-	1.77	6.59
Income received in advance	4.17	0.64	54.53	50.54
Statutory Payables	-	-	70.40	40.86
Payables - Capital Expenditure	-	-	145.42	193.40
Employee Payables	-	-	10.69	8.07
Gratuity (Funded Plans)	-	-	-	0.45
Security Deposits	14.69	9.26	1.56	0.92
Advance from Customers	-	-	68.47	26.28
Other Liabilities	-	-	104.87	44.20
	18.86	9.90	809.79	617.68
Amount disclosed under the head "Income received in advance" (Note No. 2.05)	4.17	0.64	-	-
Amount disclosed under the head "Security Deposit" (Note No. 2.05)	14.69	9.26	-	-
	-	-	809.79	617.68

* The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under :

(₹ in Crores unless otherwise stated)

Particulars	As at March 31, 2014	As at March 31, 2013
Principal amount due and remaining unpaid	-	0.02
Interest due on above and the unpaid Interest (Rupees NIL (March 31, 2013 : Rupees 22,813))	-	0.00
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay (Rupees NIL (March 31, 2013 : Rupees 22,813))	-	0.00
Interest accrued and remaining unpaid (Rupees NIL (March 31, 2013 : Rupees 22,813))	-	0.00
Amount of further interest remaining due and payable in succeeding year (Rupees NIL (March 31, 2013 : ₹ Rupees 12, 199))	-	0.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.11 NON-CURRENT INVESTMENTS	Face Value	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2013
	₹ Per Unit	Quantity	Amount	Quantity	Amount
Trade investments (valued at cost)					
Unquoted Equity Investments					
Investment in Equity Shares of Subsidiaries					
Gujarat Telelink East Africa Ltd. (Rupees 28,337 (March 31, 2013: Rupees 28,337))	10	510	-	-	-
			-		-
Investment in Equity Shares of Associates					
Hathway VCN Cablenet Pvt. Ltd. #	10	12,520	0.10	12,520	0.10
Pan Cable Services Pvt. Ltd. # (Rupees 100 (March 31, 2013: Rupees 100))	10	10	0.00	10	0.00
GTPL Rajwadi Network Pvt. Ltd. #	10	2,500	0.37	2,500	0.37
			0.47		0.47
Less : Provision for diminution in value			0.18		0.10
			0.29		0.37
Investment in Equity Shares of Other Companies					
Gujarat Television Pvt. Ltd.	10	20,000	2.40	20,000	2.40
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	0.05	47,009	0.05
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd. #	10	60,000	0.22	60,000	0.22
			2.67		2.67
Less : Provision for diminution in value			0.22		0.22
			2.45		2.45
Investment in Partnership Firm					
M/s GTPL Ganesh Communication			0.09		0.09
M/s GTPL G P Marketing			0.30		0.30
M/s GTPL Kim Cable Entertainment			0.10		0.10
M/s GTPL Lucky World Vision			0.02		0.02
M/s GTPL Nawaz Network #			0.09		0.09
M/s GTPL Sab Network			0.05		0.05
M/s GTPL Universal Cable Network #			0.06		0.06
M/s GTPL Yak Cable Network #			0.05		0.05
M/s GTPL Khushboo Video Channel			-		0.08
M/s GTPL Shiv Vision			0.38		0.37
M/s GTPL - Space			-		0.50
M/s GTPL Lucky World Video			0.24		0.24
M/s Unity Cable Network ^			0.13		0.13
M/s Sai DL Vision			0.03		0.03
M/s GTPL Pol Star Vision #			0.18		-
M/s GTPL World Vision #			0.27		-
M/s GTPL Zubi Video Vision #			0.14		-
M/s GTPL Bapu Network #			0.19		-
M/s GTPL Siddhi Digital Services			1.92		-
M/s Sri Raghav G GTPL			2.15		-
M/s Sai DL Digital Cable Vision ^			0.13		-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.11 NON-CURRENT INVESTMENTS (Contd.)	Face Value	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2013
	₹ Per Unit	Quantity	Amount	Quantity	Amount
M/s GTPL City Cable			0.54		-
			7.06		2.11
Less : Balance Contribution Outstanding towards Capital to Partnership Firm / Joint Ventures			0.29		0.10
Less : Provision for diminution in value of Investment			0.98		0.19
			5.79		1.82
Others Investments (valued at cost)					
Quoted					
Investments in Units of Mutual Funds					
IDFC Fixed Term Plan Series 13- Regular Plan-Growth*	10	-	-	3,500,000	3.50
Unquoted					
Investment in Government Securities					
National Savings Certificates (Deposited with Government Authorities)			0.17		0.23
The Saraswat Co-operative Bank Ltd. ((Rupees 50,000 (March 31; 2013 Rupees 50,000))	10	3,130	-	3,130	-
Thane Janta Shares	10	5,000	0.01	5,000	0.01
The Varachha Co-Op. Bank Ltd. ((Rupees 5,000 (March 31; 2013 Rupees Nil))	10	505	-	-	-
			0.18		3.74
Total Non-current Investments			8.71		8.38
Aggregate amount of quoted investments			-		3.50
Market Value of Quoted Investments			-		3.51
Aggregate amount of unquoted investments			8.71		4.88
Aggregate provision for diminution in value of investments			1.39		0.51

Provision for diminution in value of Investments

^ These Companies are Joint Venture of subsidiaries, of one of our subsidiary GTPL Hathway Pvt. Ltd.

* Includes Nil units (March 31, 2013; 3,500,000) where lien has been marked in favour of a Financial Institution

(₹ in Crores unless otherwise stated)

2.12 DEFERRED TAX ASSETS	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liabilities on		
a) Difference between book and tax depreciation	1.04	0.90
Deferred Tax Assets on		
a) Disallowances Under Income Tax Act 1961	0.26	-
b) Leave Encashment Payable	0.67	0.59
c) Carried Forward Losses	4.67	4.07
d) Gratuity Payable	0.14	-
e) On Account of Bonus	0.11	0.08
f) Provision for Doubtful Debts	0.07	0.06
g) Others	0.81	0.14
NET DEFERRED TAX ASSETS	5.69	4.04

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.13 TRADE RECEIVABLES	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	18.62	14.20	542.50	343.93
Doubtful Outstanding	101.56	87.87	-	3.47
	120.18	102.07	542.50	347.40
Less: Provision for doubtful trade receivables	93.87	79.25	21.89	0.05
	26.31	22.82	520.61	347.35
Outstanding for a period exceeding six months from the date they are due for payment			66.05	14.95
Other receivables			454.56	332.40
			520.61	347.35

(₹ in Crores unless otherwise stated)

2.14 LOANS AND ADVANCES	Long - Term		Short - Term	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
CAPITAL ADVANCES				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	30.39	29.41	0.30	-
Advance to Suppliers	29.60	23.39	0.67	-
Less: Provision for doubtful advances	2.38	2.16	0.63	-
	57.61	50.64	0.34	-
SECURITY DEPOSITS				
Unsecured, considered good				
Security Deposits	23.23	19.31	4.69	1.02
	23.23	19.31	4.69	1.02
LOANS AND ADVANCES TO RELATED PARTIES				
Unsecured, considered good unless stated otherwise				
Advance Recoverable	0.18	0.42	1.88	5.49
Advance to Firm in which Subsidiaries are partner	17.16	17.16	-	-
Advance to other Cable Ventures	6.10	6.10	-	0.03
Advances to Related Parties	0.01	0.19	2.36	1.13
Less: Provision for doubtful loans and advances	23.45	23.75	-	-
	-	0.12	4.24	6.65
OTHER LOANS AND ADVANCES				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	3.95	3.39	15.85	13.14
Staff Advances	0.30	6.66	1.79	0.83
Staff Loan	0.03	0.44	0.75	0.28
Sundry Advances	4.98	8.45	68.49	48.14
Service Tax Claimable	0.13	0.79	67.54	14.77
Loans Given	0.34	0.41	5.94	0.48
Advance Income Tax (Net of Provision)	42.18	21.03	31.19	16.25
Cenvat Receivable	0.97	-	14.86	48.88
Less: Provision for doubtful loans and advances to others	3.00	1.83	-	-
	49.88	39.34	206.41	142.77
	130.72	109.41	215.68	150.44

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

2.15 OTHER ASSETS	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise				
Non-current other bank balances (Note No. 2.17)	64.39	27.73	-	-
Fixed Deposit with Bank (Note No.2.17)	-	3.70	-	-
Other Receivables	1.17	0.40	8.44	11.36
Interest accrued but not due	0.02	0.02	2.20	1.58
	65.58	31.85	10.64	12.94

(₹ in Crores unless otherwise stated)

2.16 INVENTORIES	Current	
	As at March 31, 2014	As at March 31, 2013
Stock-In-Trade	0.69	0.69
Stock of Spares & Maintenance Items	2.75	26.79
	3.44	27.48

(₹ in Crores unless otherwise stated)

2.17 CASH AND BANK BALANCES	Non-Current		Current	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Cash & Cash Equivalents				
Balances with banks:				
In Current Accounts	-	-	16.79	23.54
Fixed Deposits with original maturity of less than 3 months	-	-	0.68	0.30
Cheques in hand	-	-	1.54	8.35
Cash in hand	-	-	14.04	20.40
	-	-	33.05	52.59
Other Bank Balance				
Margin money deposit*	64.39	27.73	10.99	1.96
Fixed Deposits with original maturity greater than 3 months	-	3.70	-	-
	64.39	31.43	10.99	1.96
Less: Amount disclosed under non current asset (Refer Note 2.15)	64.39	31.43	-	-
	-	-	44.04	54.55

* Marked under lien in favour of Banks

(₹ in Crores unless otherwise stated)

3.01 REVENUE FROM OPERATIONS	Year ended March 31, 2014	Year ended March 31, 2013
	Sale of services	
Subscription Income	1,480.13	1,079.24
Rental Income on Equipments	8.68	8.43
Consultancy Income	3.67	4.82
Advertisement Income & Marketing Support Services	62.41	16.58
Commission Income	4.07	4.46
	1,558.97	1,113.54
Sale of products		
Sale of Access Devices	13.66	2.84
	13.66	2.84
Other operating revenues		
Other Operational Income	10.62	16.14
	10.62	16.14
	1,583.25	1,132.52

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.02 OTHER INCOME

	Year ended March 31, 2014	Year ended March 31, 2013
Profit on Sale of Current Investments (Net)	2.45	3.31
Amount No Longer Payable Written Back	0.76	1.82
Interest on Fixed Deposits	4.95	3.49
Interest on Income Tax Refund	0.04	0.52
Gain on Foreign Exchange Fluctuation (Net)	-	4.16
Miscellaneous Income	2.15	2.35
Interest on Loans	0.15	0.02
	10.50	15.67

(₹ in Crores unless otherwise stated)

3.03 PURCHASE OF STOCK-IN-TRADE

	Year ended March 31, 2014	Year ended March 31, 2013
Purchase of Access Device	13.85	6.11
	13.85	6.11

(₹ in Crores unless otherwise stated)

3.04 CHANGES IN STOCK-IN-TRADE

	Year ended March 31, 2014	Year ended March 31, 2013
Opening Stock	0.69	0.78
Less : Closing Stock	0.69	0.69
(Rupees -27,466 (March 31,2013 ; Rupees 926,449))	(0.00)	0.09

(₹ in Crores unless otherwise stated)

3.05 OPERATIONAL EXPENSES

	Year ended March 31, 2014	Year ended March 31, 2013
Pay Channel Cost	667.96	432.51
Distribution Cost	35.16	21.21
Commission	41.59	27.82
Bandwidth & Lease Line Cost	30.07	26.41
Other Sundry Operational Cost	22.26	12.71
Repairs & Maintenance (Plant & Machinery)	35.55	23.20
Rent	12.83	11.03
LCO Revenue Share	18.06	-
Consultancy & Technical Fees	17.41	8.61
Feed charges	4.31	2.34
Software & Programming Cost	2.36	1.86
Freight & Octroi Charges	2.99	1.75
Hire Charges	7.79	0.68
Movie/Cable Right Expenses	0.16	-
	898.50	570.13

(₹ in Crores unless otherwise stated)

3.06 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2014	Year ended March 31, 2013
Salaries & Bonus	112.57	86.33
Staff Welfare	4.65	3.86
Contribution to provident and other fund	5.58	5.48
Employee Stock Compensation Expense	-	0.38
	122.80	96.05

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.07 OTHER EXPENSES	Year ended March 31, 2014	Year ended March 31, 2013
Service Charges	38.93	26.22
Bad Debts	10.87	11.01
Less: Transfer from Provision for Doubtful Debts	10.76	8.53
	0.11	2.48
Provision for Bad and Doubtful debts	55.63	54.76
Electricity Expenses	19.03	15.77
Loss on disposal / shortage of assets	4.49	3.92
Gain on Foreign Exchange Fluctuation (Net)	8.38	-
Rates & taxes	20.70	11.95
Office Expenses	15.98	9.52
Legal & Professional Charges	14.39	10.53
Advertisement & Promotion expenses	5.76	7.87
Conveyance	8.91	8.55
Repairs & Maintenance (Others)	8.16	5.99
Rent - Offices	13.88	8.11
Communication Charges	5.52	4.53
Travelling	6.82	2.95
Printing & Stationery	3.80	2.32
Miscellaneous Expenses	4.93	2.10
Business Promotion Expenses	2.98	3.78
Insurance Charges	1.82	0.55
Interest on Taxes	3.28	1.41
Provision for Bad & Doubtful Advances	1.47	0.98
Sundry Advances Written Off	0.30	0.11
Preliminary Exp Written Off	0.01	0.01
Sitting Fees	0.14	0.58
Donation	0.40	0.36
Sundry Administration Expenses	-	0.08
Auditor's Remuneration		
- Statutory Audit Fees	0.50	0.33
- Audit Fees	0.15	0.08
- Limited Review, Consolidation & Certification Fees	0.21	0.18
- Other Consultancy Services	0.02	0.28
	246.70	186.30

(₹ in Crores unless otherwise stated)

3.08 DEPRECIATION AND AMORTISATION	Year ended March 31, 2014	Year ended March 31, 2013
Depreciation on Tangible Assets	268.21	144.19
Amortisation of Intangible Assets	23.03	18.06
	291.24	162.25

(₹ in Crores unless otherwise stated)

3.09 FINANCE COST	Year ended March 31, 2014	Year ended March 31, 2013
Interest and Finance Charges	105.20	49.45
Bank Charges	19.74	10.54
Foreign Exchange difference to the extent considered as an adjustment to finance cost	9.57	0.18
	134.51	60.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

3.10 EXCEPTIONAL ITEMS *

	Year ended March 31, 2014	Year ended March 31, 2013
Reversal of Interest being exchange differences arising from foreign currency borrowings for FY 2011-12 pursuant to MCA Circular dated August 9, 2012	-	(5.15)
Provision for Doubtful Advances / Investments / Receivables from entities Under Control / Significant Influence	-	0.24
Expenses on account of introduction of Digital Addressable System (DAS)	-	5.00
Provision for Entertainment Tax of earlier years	-	7.84
	-	7.93

* Refer Note 4.03

4.01 (a) List of subsidiaries which are included in the Consolidation & the Company's effective holdings therein as under :

(₹ in Crores unless otherwise stated)

Name of the Subsidiary & Body Corporate	Country of the Incorporation	Date on which it became Subsidiary	Ownership in % either directly or through subsidiaries	
			March 31, 2014	March 31, 2013
Channels India Network Pvt.Ltd.	India	07.04.1998	95.63%	95.63%
Vision India Network Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Liberty Media Vision Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Ideal Cables Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Hathway Channel 5 Cable & Datacom Pvt. Ltd. (Refer Note No. 4.02 (B) (ii))	India	07.04.1998	51.00%	51.00%
Bee Network & Communication Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Elite Cable Network Pvt.Ltd.	India	07.04.1998	80.00%	80.00%
Binary Technology Transfers Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Hathway Media Vision Pvt.Ltd.	India	13.08.1998	100.00%	100.00%
UTN Cable Communication Pvt.Ltd.	India	31.05.1999	93.88%	51.00%
ITV Interactive Media Pvt.Ltd	India	09.09.1999	100.00%	100.00%
Chennai Cable Vision Network Pvt.Ltd.	India	30.09.1999	75.99%	75.99%
Hathway Universal Cabletel & Datacom Pvt. Ltd.	India	10.03.2000	100.00%	100.00%
Win Cable and Datacom Pvt. Ltd.	India	15.03.2000	100.00%	100.00%
Hathway Space Vision Cabletel Pvt.Ltd.	India	21.03.2000	100.00%	100.00%
Hathway Software Developers Pvt.Ltd.	India	21.03.2000	71.85%	65.00%
Hathway Nashik Cable Network Pvt.Ltd.	India	27.07.2000	90.06%	90.06%
Hathway Cnet Pvt.Ltd.	India	27.07.2000	100.00%	100.00%
Hathway United Cables Pvt.Ltd.	India	01.12.2000	100.00%	100.00%
Hathway Internet Satellite Pvt.Ltd.	India	01.01.2001	100.00%	100.00%
Hathway Krishna Cable Network Pvt.Ltd.	India	22.07.2002	97.40%	97.20%
Hathway Mysore Cable Network Pvt.Ltd.	India	29.11.2003	75.70%	63.50%
Hathway Prime Cable & Datacom Pvt.Ltd.	India	03.02.2006	51.00%	51.00%
Hathway Gwalior Cable & Datacom Pvt.Ltd.	India	01.05.2007	100.00%	100.00%
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	India	01.03.2008	51.00%	51.00%
Hathway Enjoy Cable Network Pvt.Ltd.	India	07.06.2007	100.00%	100.00%
Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.	India	01.05.2007	100.00%	100.00%
Hathway MCN Pvt. Ltd.	India	01.06.2007	51.00%	51.00%
Hathway Sonali OM Crystal Cable Pvt. Ltd.	India	01.01.2008	51.00%	51.00%
Hathway ICE Television Pvt. Ltd.	India	15.10.2007	51.00%	51.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Name of the Subsidiary & Body Corporate	Country of the Incorporation	Date on which it became Subsidiary	Ownership in % either directly or through subsidiaries	
			March 31, 2014	March 31, 2013
Hathway Rajesh Multichannel Pvt.Ltd.	India	01.10.2007	51.00%	51.00%
Net 9 Online Hathway Pvt Ltd	India	01.03.2008	50.00%*	50.00%*
GTPL Hathway Pvt.Ltd.(Formerly known as Gujrat Telelink Pvt Ltd)	India	12.10.2007	50.00%*	50.00%*
Hathway Datacom Central Pvt Ltd (Formerly known as Hathway Bhaskar Multinet Pvt Ltd)	India	31.12.2007	100.00%	100.00%
Hathway New Concept Cable & Datacom Pvt Ltd	India	01.09.2008	51.00%	51.00%
Hathway Latur MCN Cable & Datacom Pvt Ltd	India	15.01.2008	51.00%	51.00%
Hathway Cable MCN Nanded Pvt Ltd	India	17.06.2008	45.05%*	45.05%*
Hathway Palampur Cable Network Pvt Ltd	India	01.04.2008	51.00%	51.00%
Hathway Mantra Cable & Datacom Pvt Ltd	India	30.08.2007	98.00%	98.00%
Hathway Sai Star Cable & Datacom Pvt Ltd	India	01.09.2008	51.00%	51.00%
Hathway Bhawani Cabletel & Datacom Ltd.	India	31.08.2009	51.00%	51.00%
Hathway Dattatray Cable Network Pvt Ltd	India	01.07.2009	51.00%	51.00%
Hathway Kokan Crystal Cable Network Pvt. Ltd.	India	01.11.2010	90.00%	51.00%
Hathway SS Cable & Datacom LLP	India	08.10.2012	51.00%	51.00%

*Subsidiary due to Board Control

(b) List of Joint Venture held directly and Company's effective Ownership :-

Joint Venture directly held and Company's effective Shareholding therein	Country of the Incorporation	March 31, 2014	March 31, 2013
Hathway Sukhamrit Cable & Datacom Pvt. Ltd. (Refer Note No. 4.02(A)(v))	India	49.00%	49.00%

(c) List of Associate's held directly and Company's effective Ownership :-

Associate's directly held and Company's effective Shareholding therein	Country of the Incorporation	March 31, 2014	March 31, 2013
Hathway VCN Cabletel Pvt.Ltd.	India	25.03%	25.03%
Pan Cable Services Pvt. Ltd.	India	33.33%	33.33%

(d) List of Subsidiaries held indirectly and Company's effective Ownership :-

Subsidiaries of Hathway Datacom Central Pvt. Ltd. (Formerly known as Hathway Bhaskar Multinet Pvt.Ltd.)	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2014	March 31, 2013
Hathway Bhaskar CCN Multinet Pvt.Ltd. (Formerly known as Hathway Bhaskar Pagariya Multinet Pvt.Ltd.)	India	01.07.2008	51.00%	51.00%
Hathway Bhaskar CCN Entertainment (India) Pvt.Ltd. (Formerly known as CCN Entertainment (India) Pvt.Ltd.)	India	01.07.2008	51.00%	51.00%
Hathway Bhaskar CBN Multinet Pvt.Ltd. (Formerly known as Hathway CBN Bhaskar Multinet Pvt.Ltd.)	India	01.07.2008	51.00%	51.00%
Hathway Bhaskar CCN Multi Entertainment Pvt.Ltd.	India	29.09.2011	70.00%	70.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Subsidiaries of Hathway Bhawani Cabletel & Datacom Ltd.	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2014	March 31, 2013
Hathway Bhawani NDS Network Pvt. Ltd.	India	13.10.2010	26.01%	26.01%
Hathway Bhawani Sai Network Pvt. Ltd.	India	03.11.2011	0.51% *	0.51% *

Subsidiaries of GTPL Hathway Pvt. Ltd.	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2014	March 31, 2013
GTPL Anjali Cable Network Pvt. Ltd.	India	03.02.2009	25.50%	25.50%
GTPL Solanki Cable Network Pvt. Ltd.	India	02.07.2008	25.50%	25.50%
GTPL Zigma Vision Pvt. Ltd.	India	20.02.2009	35.30%	35.30%
GTPL S K Network Pvt. Ltd.	India	01.12.2008	25.50%	25.50%
GTPL Video Badshah Pvt. Ltd.	India	04.08.2008	25.50%	25.50%
GTPL Kutch Network Pvt. Ltd.	India	23.01.2009	25.50%	25.50%
GTPL City Channel Pvt. Ltd.	India	31.07.2008	25.50%	25.50%
GTPL Smc Network Pvt. Ltd.	India	21.01.2009	25.50%	25.50%
GTPL Surat Telelink Pvt. Ltd.	India	23.01.2009	25.50%	25.50%
GTPL Vidarbha Telelink Pvt. Ltd.	India	01.09.2009	25.61%	25.61%
GTPL Space City Pvt. Ltd.	India	13.04.2009	25.50%	25.50%
GTPL Vision Services Pvt. Ltd.	India	01.10.2009	31.75%	31.75%
GTPL Jai Mataji Network Pvt. Ltd.	India	01.08.2009	25.00%	25.00%
GTPL Narmada Cyberzone Pvt. Ltd.(Formerly known as Narmada Cyberzone Pvt. Ltd.)	India	01.10.2009	30.00%	30.00%
GTPL Shivshakti Network Pvt. Ltd.	India	01.04.2009	25.50%	25.50%
GTPL Link Network Pvt. Ltd.	India	15.04.2009	25.50%	25.50%
GTPL VVC Network Pvt. Ltd.	India	15.04.2009	25.50%	25.50%
GTPL Blue Bell Network Pvt. Ltd.	India	01.10.2009	46.00%	46.00%
GTPL Parshwa Cable Network Pvt. Ltd.	India	01.10.2009	28.66%	28.66%
GTPL Insight Channel Network Pvt. Ltd. (Formerly known as Insight Channel Network Pvt. Ltd.)	India	01.01.2009	37.23%	37.23%
GTPL Kolkata Cable & Broadband Pariseva Limited	India	30.06.2010	25.50%	25.50%
GTPL Dahod Television Network Pvt. Ltd.	India	01.08.2010	25.50%	25.50%
GTPL Jay Santoshima Network Pvt.Ltd	India	31.03.2011	25.50%	25.50%
GTPL Sorath Telelink Pvt. Ltd.	India	01.04.2010	25.50%	25.50%
Gujarat Telelink East Africa Ltd.	Kenya	01.06.2010	25.50%	25.50%
GTPL Shiv Network Pvt. Ltd.	India	01.10.2010	25.50%	25.50%
GTPL Sharda Cable Network Pvt. Ltd.	India	02.11.2011	25.50%	25.50%
GTPL Ahmedabad Cable Network Pvt. Ltd.	India	01.06.2011	25.50%	25.50%
D.L GTPL Cabnet Pvt. Ltd.(Formerly known as D.L Cabnet Pvt. Ltd.)	India	01.11.2011	13.00%*	13.00%*
GTPL V&S Cable Pvt. Ltd.(Formerly known as V&S Cable Pvt. Ltd.)	India	17.01.2012	25.50%	25.50%
GTPL Video Vision Pvt Ltd	India	01.10.2012	25.50%	25.50%

*Subsidiary due to Board Control

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

(e) * List of joint ventures held indirectly and Company's effective Ownership therein:-

Joint Venture of GTPL Hathway Pvt. Ltd	Country of Incorporation	Effective Ownership in Joint Venture	
		March 31, 2014	March 31, 2013
M/S. Airlink Communication	India	25.50%	25.50%
M/S. GTPL A J Enterprise	India	37.50%	37.50%
M/S. GTPL Anil Cable Services	India	25.50%	25.50%
M/S. GTPL Ashok Cable Services	India	25.50%	25.50%
M/S. GTPL Atul Cable Network	India	25.50%	25.50%
M/S. GTPL Bariya Television Network	India	25.50%	25.50%
M/S. GTPL Gujarat Television Network	India	25.50%	25.50%
M/S. GTPL H K Cable	India	25.50%	25.50%
M/S. GTPL Jaydeep Cable	India	25.50%	25.50%
M/S. GTPL Kal Cable Network	India	25.50%	25.50%
M/S. GTPL Khambhat Cable Network	India	25.50%	25.50%
M/S. GTPL Krishna Cable Network	India	25.50%	25.50%
M/S. GTPL Krishna Cable Services	India	25.50%	25.50%
M/S. GTPL M Channel	India	25.50%	25.50%
M/S. GTPL Maa Bhagwati Entertainment	India	25.50%	25.50%
M/S. GTPL Om Net	India	25.00%	25.00%
M/S. GTPL Pearl Communication	India	30.00%	30.00%
M/S. GTPL Pooja Cable	India	25.50%	25.50%
M/S. GTPL Rainbow Multi Channel	India	25.50%	25.50%
M/S. GTPL Rainbow Video Vision	India	25.50%	25.50%
M/S. GTPL Raj World Vision	India	25.50%	25.50%
M/S. GTPL Renuka Cable	India	25.50%	25.50%
M/S. GTPL S P Enterprise	India	25.50%	25.50%
M/S. GTPL Sagar Cable Services	India	25.50%	25.50%
M/S. GTPL Sai Cable	India	25.50%	25.50%
M/S. GTPL Shiv Cable	India	25.50%	25.50%
M/S. GTPL Shiv Networks	India	25.50%	25.50%
M/S. GTPL Shree Sai Cable Network	India	30.00%	30.00%
M/S. GTPL Shree Shani Cable	India	25.50%	25.50%
M/S. GTPL Valsad Network	India	30.00%	30.00%
M/S. GTPL Vraj Cable	India	25.50%	25.50%
M/S. GTPL World View Cable	India	25.50%	25.50%
M/S. GTPL World Vision - Ambaji	India	25.50%	25.50%
M/S. GTPL Sainath World Vision	India	25.50%	25.50%
M/S. GTPL Hamidali Rizwi	India	25.50%	25.50%
M/S. GTPL Star Line Networks	India	25.50%	25.50%
M/S. GTPL Narmada Cable Services	India	25.50%	25.50%
M/S. GTPL Leo Vision	India	25.50%	25.50%
M/S. GTPL Bawa Cable	India	25.50%	25.50%
M/S. GTPL Sai Vision	India	25.50%	25.50%
M/s. GTPL Jyoti Cable	India	25.50%	25.50%
M/s. GTPL Sanjiv Cable Vision	India	25.50%	25.50%
M/s. GTPL Shiv Cable (Manish Joshi)	India	25.50%	25.50%
M/s. GTPL Shiv Cable (Rajesh Patel)	India	25.50%	25.50%
M/s. GTPL Hariom World Vision	India	25.50%	25.50%
M/s. GTPL Henish Cable Vision	India	25.50%	25.50%
M/s. GTPL Sky World Vision	India	25.50%	25.50%
M/s. GTPL - Buldhana City Cable Network	India	25.50%	25.50%
M/s. GTPL Chaudhary Vision	India	25.50%	25.50%
M/S. GTPL Space	India	28.50%	-
M/S. GTPL Khushaboo Video Channel	India	25.50%	-

*Joint Ventures incorporated based on management accounts.

(f) Associate indirectly held and Company's effective Shareholding therein

Associate of GTPL Hathway Pvt. Ltd.	March 31, 2014	March 31, 2013
GTPL Rajwadi Network Pvt Ltd.	12.50%	12.50%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.02 Note on consolidation of certain subsidiaries/ joint ventures:-

A) Reasons for non-consolidation of certain subsidiaries/ joint ventures:-

i) M/s. Hathway Space Vision

Two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. and Hathway Internet Satellite Pvt. Ltd. were majority partners in a partnership firm, namely, M/s. Hathway Space Vision (the firm). The aforesaid majority partners of the firm had initiated legal action i.e. invoked arbitration proceedings, against the minority partner viz. Space Vision Cabletel Pvt. Ltd. with reference to some management and operational issues and had made monetary claims against the minority partner. The minority partner had also filed certain counter claims against the wholly owned subsidiaries. After a long drawn legal battle, the firm stands dissolved as of July 8, 2011. The Court Receiver, High Court of Bombay has been appointed as the Receiver of the assets and business of the firm and Hathway Internet Satellite Private Limited has been appointed as the Agent of the Court Receiver. The issues concerning accounts and dissolution including adjudicating upon the original claims and counter claims made before the earlier Arbitrator are referred to Arbitration before Justice Srikrishna (Retd.). The Court Receiver had taken the possession of the movable assets found at the premises of the Firm and has appointed a valuer, the report thereof is pending. In the mean time, the Court Receiver has fixed an ad hoc royalty of ₹ 50,000/- per month that is to be paid by the agent of the Court Receiver under order dated December 2, 2011. An application inter alia for setting aside the said order dated December 2, 2011 has been filed by the Company and Hathway Internet Satellite Private Limited in the High Court, Bombay which is pending. The Court Receiver has taken back possession of the suit premises from Hathway Internet Satellite Private Limited.

The Company has investments in said fully owned subsidiaries namely Hathway Internet Satellite Pvt. Ltd. & Binary Technology Transfers Pvt. Ltd. of ₹ 0.01 (March 31, 2013 : ₹ 0.01) and ₹ 0.01 (March 31, 2013 : ₹ 0.01) and Loans and advance of ₹ 1.59 (March 31, 2013 : ₹ 1.59), ₹ 1.59 (March 31, 2013 : ₹ 1.59) respectively which has been fully provided for in the books.

ii) Hathway Jai Matadi Sherawali Cable Network Pvt. Ltd., Kanpur

The Company had filed petition to wind up Hathway Jai Mata Di Sherawali Cable & Datacom Private Limited (HJMD), a subsidiary company, on just and equitable ground. In view of the Management disputes with the other Shareholders, the Company has decided to take such an action. The Delhi High Court has since passed the necessary order to liquidate HJMD and the investment of ₹ Nil (March 31, 2013 : ₹ 0.80) and Loans & Advances of ₹ Nil (March 31, 2013 : ₹ 0.54) & receivables of ₹ Nil (March 31, 2013 : 0.75) which was fully provided in the earlier year, has been written off from the books during the previous year.

iii) GTPL Hathway Pvt. Ltd. (GTPL), one of the subsidiary, of the Company has investment in the following joint ventures, which have not been consolidated by GTPL as the criteria of effective joint control could not be fulfilled during the reporting period as listed below. Hence the same have been shown as investments and have been carried at cost.

Name of the Entity	Effective date of Partnership	Effective Ownership in Joint Venture	
		March 31, 2014	March 31, 2013
M/s GTPL Ganesh Communication	01.11.2007	25.50%	25.50%
M/s GTPL Kim Cable Entertainment	01.01.2008	25.50%	25.50%
M/s GTPL Lucky World Vision	01.05.2008	25.50%	25.50%
M/s GTPL Nawaz Network	01.10.2008	25.00%	25.00%
M/s GTPL Sab Network	01.10.2008	25.00%	25.00%
M/s GTPL Universal Cable Network	01.10.2008	25.00%	25.00%
M/s GTPL Yak Cable Network	01.10.2008	25.00%	25.00%
M/s.GTPL G P Marketing	01.08.2009	25.50%	25.50%
M/s GTPL Khushboo Video Channel	01.04.2011	Consolidated in Dec'13	25.50%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Name of the Entity	Effective date of Partnership	Effective Ownership in Joint Venture	
		March 31, 2014	March 31, 2013
M/s. GTPL Shiv Vision	01.06.2011	25.50%	25.50%
M/s. GTPL Space	31.03.2012	Consolidated in Dec'13	25.50%
M/s. GTPL Lucky World Video	01.06.2008	25.50%	25.50%
M/S. Unity Cable Network *	14.03.2011	13.01%	13.01%
M/S. Sai DL Vision *	01.11.2011	6.50%	6.50%
M/S. SAI DL DIGITAL CABLE VISION *	01.04.2013	6.50%	-

* These entities are Joint Venture of subsidiaries of one of our subsidiary GTPL Hathway Pvt. Ltd.

In absence of financial statements of the firms above, no share of profit or loss from these entities has been recognised

- iv) During the year one of the subsidiary Company namely GTPL Hathway Pvt. Ltd. has investments in following joint ventures which were consolidated till March 31, 2012, however as the same are held for disposal from financial year 2012-13, the same have been shown as investments and have been carried at cost less provision for diminution, if any.

Name of the Entity	Effective Ownership in Joint Venture	
	March 31, 2014	March 31, 2013
M/S. GTPL Zubi Video Vision	25.50%	25.50%
M/S. GTPL Bapu Network	25.50%	25.50%
M/S. GTPL Pol Star Vision	25.50%	25.50%
M/S. GTPL World Vision – Sangali	25.50%	25.50%

- v) The Company has a holding of 49% in one of its Joint ventures namely Hathway Sukhamrit Cable & Datacom Pvt. Ltd. In the absence of availability of the financials for the purposes of this consolidated financial statement, Consolidated Financial Statement for the year 2013-14 was prepared without considering audited financial statement of this Joint Venture. The difference between audited financial statement and unaudited financial statement for the year, amounting to ₹ Nil (March 31, 2013 ₹ 1.53) is included in prior period adjustment.

B) Reasons for consolidation based on Management Accounts :

- i) The Company has a holding of 51% in some of its step down subsidiaries Companies namely Hathway Bhaskar CCN Multinet Pvt.Ltd. (Formerly known as Hathway Bhaskar Pagariya Multinet Pvt.Ltd.), Hathway Bhaskar CCN Entertainment (India) Pvt.Ltd. (Formerly known as CCN Entertainment (India) Pvt.Ltd.), Hathway Bhaskar CBN Multinet Pvt.Ltd. (Formerly known as Hathway CBN Bhaskar Multinet Pvt.Ltd.) and Hathway Bhaskar CCN Multi Entertainment Pvt.Ltd. In the absence of availability of the Audited financials for the purposes of this consolidated financial statement, Consolidated Financial Statement for the year 2013-14 was prepared with considering the Management Accounts of this subsidiaries. The difference between audited financial statement and unaudited financial statement for the year, amounting to ₹ -0.92 (March 31, 2013 ₹ Nil), ₹ -0.08 (March 31, 2013 ₹ Nil), ₹ -0.03 (March 31, 2013 ₹ Nil) and ₹ 0.20 (March 31, 2013 ₹ Nil) respectively is included in prior period adjustment.
- ii) The Company has a holding of 51% in one of its subsidiary Company namely Hathway Channel 5 Cable & Datacom Pvt. Ltd. In the absence of availability of the audited financials of this subsidiary, consolidated financial statement for the year 2012-2013 was prepared considering the management accounts. The difference between audited financial statement and unaudited financial statement for the previous year, amounting to ₹ 0.94 (March 31, 2013 ₹ 0.94) is included in prior period adjustment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

- C) Pursuant to the Securities Exchange Board of India circular no. CIR/CFD/DIL/7/2011 dated October 5, 2011, all listed companies are required to submit their Standalone and Consolidated annual audited results within 60 days from the end of the financial year. In respect of one of the subsidiary Company namely GTPL Hathway Pvt. Ltd. having many step down subsidiaries, it was not practicable to draw up the financial statement upto March 31, 2014 within stipulated period. Accordingly, the management has considered audited consolidated financial statements of that subsidiary for a period of 12 months i.e period ended December 31, 2013 and adjustments have been made to give effects of significant transactions and other events that occur between January 1, 2014 and March 31, 2014.

4.03 EXCEPTIONAL ITEMS

- A) The Company in its ordinary course of business has promoted / acquired interest in various entities. The Company's exposure to these entities on account of Investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Trade Receivables is ₹ 0.37 (March 31, 2013: ₹ 0.37), ₹ 23.45 (March 31, 2013: ₹ 23.45) and ₹ 0.05 (March 31, 2013: ₹ 0.05) respectively. The Company has made provision on overall basis of ₹ 0.32 (March 31, 2013: ₹ 0.32), ₹ 23.45 (March 31, 2013: ₹ 23.45) and ₹ 0.05 (March 31, 2013: ₹ 0.05) against such Investments, Loans and Advances and Trade Receivables respectively.

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

- B) Pursuant to the implementation of Digital Addressable System (DAS), the Company has incurred expenditure amounting to ₹ Nil (March 31, 2013: ₹ 5.00) towards promotional campaign relating to awareness of DAS for 100% digitalisation for all the four metros from November 01, 2012.
- C) The Ministry of Corporate Affairs vide circular dated August 09, 2012 clarified that loss arising on foreign exchange fluctuation is not to be recognised as interest cost in terms of para 4(e) of Accounting Standard 16 on Borrowing Costs in the event a company has opted for an option granted under earlier circular relating to capitalisation / amortisation of foreign exchange losses. In view of the same, during the previous financial year ended March 31, 2013 the Company has reversed finance cost of ₹ Nil (March 31, 2013 : ₹ 5.90) and capitalised the same resulting in higher depreciation by ₹ Nil (March 31, 2013: ₹ 0.75). The aforesaid change resulted in net gain of ₹ Nil (March 31, 2013 : ₹ 5.15) and has been shown as "Exceptional Item" in the Statement of Profit & Loss.

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

4.05 INTANGIBLE ASSETS

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

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

Goodwill arising on acquisition of businesses or joint ventures that has enduring life or indefinite useful economic life has not been amortised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.06 GOODWILL ON CONSOLIDATION COMPRISES OF :

Particulars	March 31, 2014	March 31, 2013
Goodwill on Consolidation	231.11	208.90
Less :Capital Reserve on Consolidation	2.00	1.97
Net Goodwill on Consolidation	229.11	206.94

4.07 EMPLOYEE STOCK OPTION PLAN

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

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

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

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

Particulars	March 31, 2014	March 31, 2013
Total accounting value of Options Outstanding (A)	(0.34)	0.33
Deferred Employee Compensation Expense	0.78	1.31
Less: Amortised	0.78	1.28
Net Deferred Employee Compensation Expense (B)	-	0.03
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	(0.34)	0.29

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

Shares Underlying Options Outstanding

Sr. No.	Particulars	March 31, 2014		March 31, 2013	
		No. of Shares	Weighted Average Exercise Price	No. of Shares	Weighted Average Exercise Price
A	a	265,299	116.73	620,199	118.36
	b	Nil	Nil	Nil	Nil
	c	4,500	110.20	8,000	110.20
	d	4,800	157.30	Nil	Nil
	e	29,700	110.20	270,000	110.20
	f			46,100	157.30
	g	59,200	110.20	6,300	110.20
	h	5,800	157.30	24,500	157.30
B	Outstanding at the end of the year	161,299	124.10	265,299	116.73
C	Exercisable at the end of the year	161,299	124.10	265,299	116.73
D	Method of Settlement	Equity	Equity	Equity	Equity
E	Weighted average remaining contractual life (in months)		Nil		0.53
F	Weighted average Fair Value of Option granted during the year		Nil		Nil

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.08 PRIOR PERIOD ITEMS

Detail of Prior Period Income and Expenses is as under:

Particulars	Current Year	Previous Year
Income of earlier years credited to Statement of Profit and Loss		
-Subscription Income	0.31	0.69
-Others	0.04	0.02
Expenses of earlier years reversed and credited to Statement of Profit and Loss		
-Electricity charges	-	0.03
-Interest and Finance Charges	-	0.52
-Other Operational cost	1.38	0.01
-Pay Channel Cost	0.15	0.64
-Salaries & Bonus	0.02	0.01
-Others (Rupees 32,361 (March 31, 2013: Rupees 2,432,916))	0.00	0.24
TOTAL CREDIT (A)	1.90	2.17
Income of earlier years reversed and debited to Statement of Profit and Loss		
-Subscription Income	1.64	0.93
-Others (Rupees 28,895 (March 31, 2013: Rupees 45,000))	0.00	0.00
Expense of earlier years debited to Statement of Profit & Loss Account		
-Advertisement & Promotion expenses (Rupees 7,224 (March 31, 2013: Rupees 2,574,792))	0.00	0.26
-Other Operational cost	1.10	0.01
-Pay Channel Cost	1.12	0.43
-Rates & Taxes	0.01	0.22
-Others	0.61	0.17
TOTAL DEBIT (B)	4.48	2.03
Net Debit / (Credit) to Statement of Profit and Loss (A-B)	2.57	(0.14)

4.09 LEASES

(a) Finance Leases:

Lease rentals outstanding as at March 31, 2014 in respect of fixed assets taken on finance lease are as under:

Due	Total minimum lease payments outstanding as at March 31, 2014	Interest not due	Present value of minimum lease payments as at March 31, 2014
Not Later than 1 year	132.41	32.60	99.81
	(45.06)	(15.44)	(29.62)
Later than 1 year and not later than 5 years	256.80	29.07	227.73
	(170.48)	(28.00)	(142.48)
Later than 5 years	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)
Total	389.21	61.67	327.54
	(215.54)	(43.44)	(172.10)

Finance Lease obligation of Long-Term Borrowing (Ref: Note No: 2.03) include ₹ 300.05 payable to lessor under finance lease arrangement (March 31, 2013: ₹ 218.11).

(b) Operating Leases (As Lessee):

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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- (c) One of the Subsidiary of the Company, namely GTPL Hathway Pvt. Ltd. has taken Dark Fibers on Optical Fiber Cable and certain other equipments under a cancellable operating lease. The total rental expense under cancellable operating leases during the period was ₹ 4.98 (March 31, 2013: ₹ 5.44).

(d) **Details of Non-Cancellable Leases are as under:**

Particulars	March 31, 2014	March 31, 2013
Rental Expense debited to Statement of Profit & Loss	9.17	9.46
Payable in the next one year	11.28	7.65
Payable after next one year but Before next five years	27.32	15.88
Payable after five years	-	0.82

(e) **Details of Cancellable Leases are as under:**

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

Rental Expenses debited to the Statement of Profit & Loss ₹ 18.16 (March 31, 2013 : ₹ 9.59)

(f) **Operating Leases (As Lessor):**

Particulars	March 31, 2014	March 31, 2013
Gross Carrying Amount of assets capitalised as Plant & Machinery and given on operating lease	434.61	144.28
Depreciation for the year	58.47	15.19

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

4.10 EMPLOYEE BENEFITS

(a) **Defined Benefit Plans:**

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

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

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

Sr. No.	Category	As at March 31, 2014 [Gratuity]	As at March 31, 2013 [Gratuity]
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	6.19	4.80
	Current Service Cost	1.27	1.23
	Interest Cost	0.69	0.39
	Benefits Paid	(0.93)	(0.23)
	Actuarial Gain / (Loss)	(0.02)	0.15
	Projected benefit obligations at end of the year	7.20	6.19
2	Change in plan assets:		
	Plan assets at the beginning of the year	4.97	3.61
	Expected return on plan assets	0.49	0.34
	Actuarial Gain / (Loss)	0.52	(0.01)
	Contributions	1.29	1.26
	Benefits Paid	(0.93)	(0.23)
	Plan assets at the end of the year	6.35	4.97

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Sr. No.	Category	As at March 31, 2014 [Gratuity]	As at March 31, 2013 [Gratuity]
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Fair Value of plan assets at the end of the year	4.25	4.97
	Present value of the defined benefit obligations at the end of the year	5.51	6.19
	Liability / (Asset) recognised in the Balance Sheet	0.84	1.23
4	Cost for the year		
	Current Service Cost	1.31	1.23
	Interest Cost	0.40	0.39
	Expected return on plan assets	0.30	(0.34)
	Actuarial Gain / (Loss)	(0.55)	0.16
	Net Cost recognised in the Statement of Profit & Loss	0.67	1.43
5	Assumptions		
	Interest rate for discount	8.05 to 9.35%	8.05 to 8.25%
	Estimated rate of return on plan assets	8.48% to 11.38%	8.69%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	7.00 to 9.00 %	7.00 to 9.00 %
	Employee Attrition Rate (Past service)	Factor of age - 2 - 10% and past experience	Factor of age - 2 - 10% and past experience
6	Investment Details		
	Deposit With LIC of India	28.91%	40.22%
	Deposit With ING Vysya Life Insurance Corporation of India	71.09%	59.78%
		100.00%	100.00%

Above data pertains to Hathway Cable and Datacom Limited (Holding Company), Hathway Media Vision Private Limited (Wholly-owned subsidiary), GTPL Hathway Pvt. Ltd. (Subsidiary due to control over its Board of Directors) and Hathway Bhawani Cabletel and Datacom Limited (Subsidiary) only. In absence of details from other components including step down Subsidiaries and Joint Ventures, disclosure under Accounting Standard - 15 on Employee Benefits is restricted to holding company and three of its subsidiaries. In the opinion of the management no material liabilities would arise on account of these Subsidiaries.

(b) Defined Contribution Plans:

"Contribution to provident and other funds" is recognised as an expense in the Statement of Profit and Loss.

(c) Other Disclosures :

Benefits	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Defined benefit obligation	5.51	6.19	4.80	3.59	1.70
Plan assets	4.25	4.97	3.61	3.10	1.92
Surplus/(Deficit)	(0.84)	(1.23)	(1.19)	(0.49)	0.22
Experience adjustment on obligation - gain/(loss)	(0.02)	0.15	(0.03)	0.27	(0.07)
Experience adjustment on plan assets - gain/(loss)	0.52	(0.01)	(0.17)	(0.01)	0.32
Experience adjustment (best estimate) to funded plans in subsequent finance year	(0.55)	0.16	0.14	0.28	(0.39)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.11 Details of the Company's share in Joint Ventures included in the Consolidated Financial statements (before inter Company eliminations)

Particulars	March 31, 2014	March 31, 2013
Assets		
Fixed assets	7.84	9.49
Non Current Investment (Rupees 6,210 (March 31, 2013; Rupees 6,210))	0.00	0.00
Long Term Advances	0.15	0.06
Cash & Bank Balances	0.24	1.73
Trade Receivables	4.02	3.73
Short Term Loans & Advances	11.45	11.83
Liabilities		
Current liabilities	13.04	14.05
Income		
Sales	3.44	3.59
Other income	0.03	0.01
Total income	3.47	3.61
Expenses		
Operating and other expenses	1.62	1.84
Selling & Administrative Expenses	0.70	0.62
Employee's remuneration and benefits	0.69	0.53
Financial charges	0.03	0.01
Depreciation/ amortisation	0.41	0.38
Total expenditure	3.45	3.38

In the absence of the financial statement for the period 2013-14 for one of the Joint Venture namely Hathway Sukhamrit Cable and Datacom Private Limited, data for the current year not provided

4.12 CONTINGENT LIABILITIES

Particulars	March 31, 2014	March 31, 2013
Counter indemnity given by the Company favoring the bankers for having given bank guarantees	4.22	9.75
Corporate Guarantee	-	151.13
Outstanding Letter of Credit	19.35	180.21
Total	23.57	341.09

- Few Boardcasters and the Company have made claims and counter claims against each other relating to pay channel cost. Claims of broadcasters amounting to ₹ 8.09 (March 31, 2013: ₹ 3.26) to the extent not settled, are disclosed under contingent liabilities as Claims against the Company not acknowledged as debts.
- The relevant Authority under the Karnataka Sales Tax / VAT had initiated proceeding to reassess the Company's liability for the financial years 2001-02 to 2008-09 on the argument that light energy created while using OFC network for the purposes of transmission is goods and hence liable to tax under relevant state legislation. On writ petition, the Karnataka High Court has held against the Company. On further appeal, the Honourable Supreme Court remanded the matter to the Tribunal. However, Sales Tax Tribunal did not entertain the appeal of the Company as no assessment was made.

The Assessing Officer, acting on Nil returns filed by the Company, has proposed to complete best judgement re-assessment to tax light energy as goods. This may result in approximate demand of ₹ 5.44 (March 31, 2013: ₹ 5.44). The Company has filed a detailed reply to the show cause notice issued by the assessing officer and the matter is pending.

However, the Company do not anticipate any liability in view of the recent Karnataka High Court decision in a petition filed by BSNL wherein it was held that Artificially Created Light energy is not goods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

- c) The Company has filed a petition before the Honourable Court of Andhra Pradesh challenging the vires of the amendment to the Andhra Pradesh Entertainment Tax Act, 1939 which has resulted in the levying of the Entertainment Tax on MSOs of ₹ 3.46 (March 31, 2013 : 3.46). The petition has been admitted and the levy and the action pursuant thereto have been ordered to be stayed.
- d) In the state of Andhra Pradesh, VAT authorities have considered Set Top Boxes deployed at the home of subscribers as sale and raised demand of ₹ 18.05 (March 31, 2013: Nil) for the period April 1, 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 being heard to the Company. On writ petition, Andhra Pradesh High Court has directed to initiate fresh proceedings. This demand is based on an advance ruling order given by the relevant authority. The Company, being an affected party, has filed review petition before the Advance ruling Authority and the matter has been admitted and heard but the decision is awaited.
- e) Pursuant to Circular dated December 17, 2012 issued by the Delhi Entertainment Tax Department, the MSOs have been made responsible for collection & payment of Entertainment Tax effective from the month of April'2013, while the Local Cable Operators (LCOs) continue to remain responsible for collection & payment of the tax up to the month of March'13. Further, the department has passed assessment order against the Company raising tax demand of ₹ 5.95 (including Penalty amount of ₹ 2.89 (& interest amount of ₹ 0.07 for the m/o April'13 & May'13. Aggrieved by the said assessment order, the Company has challenged the validity of the above said amendment brought about by the Entertainment Tax department by way of issuing a Circular, instead of amending the charging section under the Act & filed a Writ Petition in the Hon'ble High Court of Delhi. The petition has been admitted and the levy of demand and the action pursuant thereto have been ordered to be stayed. Further, pursuant to the undertaking given under duress to the department, to avoid the sealing of its control room at Delhi, the Company has deposited tax amount of ₹ 2.97 under protest & without prejudice to its rights & contentions including contentions made in its petition. The said amount is being shown as deposit in the accounts of the Company. Hence the balance ₹ 2.98 (March 31, 2013 ; ₹ Nil) included in Contingent Liability. The above matter is pending & subject to the outcome of the petition, the Company's liability may extend to the period beyond the same considered in assessment order.
- f) Hathway Bhaskar CCN Multinet Pvt Ltd. entered into an arrangement with Mr. Sushil Chand Pagaria for acquisition of 51% stake in Hathway Bhaskar CCN Multinet Pvt Ltd (previously called A Cable Network Pvt. Ltd. of which Sushil Chand Pagaria and his relative were shareholders, herein after called as claimant) at an overall value of ₹ 61.62 of which ₹ 13.85 is still payable by the Company. However, there were some disputes between the parties, which led to an application for appointment of an arbitrator being filed, and the Bombay High Court has appointed a senior advocate as a sole arbitrator to resolve the dispute between the parties. The Claimant filed their claim before the sole arbitrator for ₹ 8.79 against the Company on account of balance payment of sale consideration, diminishing value in the share, loss of business, carriage charges etc. along with interest thereon. The matters are pending before the sole arbitrator. The Company (the Respondent) has also filed counter claims of ₹ 11.12 against the said party for damages on account of operating expenses, capital expenses, short collection, loss of profit, refund of ₹ 13.85 paid to the Claimants along with interest thereon. The Company is still contesting the matter before the arbitrator and since in view of the Management that the said claim against the Company is not sustainable, the Company has not provided for it.
- g) During the previous Year one of our subsidiaries namely Hathway Datacom Central Pvt. Ltd. has not provided for the demand of ₹ 29.68 upto March, 2011 raised by the Commercial Tax Department, Jaipur on account of Entertainment Tax on Cable Connection in view of the Hon'ble Supreme Court Judgment in the case of Purvi Communication V/s West Bengal. As per management, the Company being Multi System Operator (MSO) and has not given any direct Connection to customers, the said demand is not justifiable. This case being different than that of Purvi Communication and the same is not covered by the Rajasthan Entertainment & Advertisement Tax Act in the tax preview. Hence the provision of the Rajasthan Entertainment & Advertisement Tax Act is not applicable on the Company. The Company has filed appeal before the Dy Commissioner (Appeal) against the said demand. In support of the Company's view the Hon'ble Rajasthan Tax Board, Ajmer has allowed the appeal of the Company on the same issue by deleting the demand for ₹ 4.00 for the period March-2006 to Dec-2006 vide its order dated 29.10.2010. However, the Commercial Tax department has filed an appeal before the Hon'ble High Court against such order.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

- h) Pursuant to the enactment of the Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyapan Kar Adhiniyam 2011, (2011 Act) the Government of the Madhya Pradesh has levied Entertainment Tax on the Cable Operators w.e.f 01.04.2011. Accordingly company has received notice from Asstt Commissioner of Commercial Tax, Indore for payment of entertainment tax. The Company filed a writ petition before the High Court of Madhya Pradesh wherein it inter alia contended that the levy of entertainment tax on cable operators under the 2011 Act is nothing but a tax on service and not a tax on entertainment and the provision of Cable TV being characterised as a service only the parliament i.e. the Central Government has the power to tax this service and not the State Government. The Hon'ble High Court of Madhya Pradesh dismissed the Company's petition, which order of dismissal was challenged by the Company before the Hon'ble Supreme Court vide Special Leave Petition (SLP) 10316 of 2012 dt. April 9, 2012. The said SLP is under consideration before the Hon'ble Supreme Court along with a group of other petitions filed by the DTH and other service providers who have also challenged the levy of entertainment tax on their business on the same grounds as those taken by the Company.

As per the view of the Management of the Company, since the levy of entertainment tax on cable operators under the 2011 Act is nothing but a tax on service and not a tax on entertainment and the provision of Cable TV being characterised as a service only the parliament i.e. the Central Government has the power to tax this service and not the State Government, Entertainment Tax is not applicable on the business of the Company, however company is making payment of such entertainment tax under protest without prejudice to the Company's rights/contentions.

Meanwhile, the Commercial Tax Department of Madhya Pradesh has passed an ex-parte assessment order and has demanded entertainment tax amounting to ₹ 3.23 for the period ended February 27, 2012 and penalty thereon for ₹ 6.47, aggregating to ₹ 9.70. The Company has filed an appeal before the Dy. Commissioner of the Commercial Tax (Appeals), Indore and has deposited ₹ 0.97, against such demand. The appellate authority has confirmed the demand raised by the Assessing officer. For settlement of dispute of such demand company has filed an application before the Hon'ble Settlement Authority under the MP VAT Act and agreed to pay ₹ 1.75, the liability as calculated by the Company. The application has been accepted by the settlement authority which is pending for adjudication. Simultaneously the Company has also filed an application before the Indore Bench of the Hon'ble High Court of Madhya Pradesh for granting the stay to deposit the demand raised by the Commercial Tax Department and as per the direction of the Hon'ble High Court of the Madhya Pradesh the Company has deposited balance of undisputed tax liability of ₹ 0.78 and got the stay order for the balance demand. Accordingly, during 2012-13 the Company has charged such entertainment tax of ₹ 2.05 for financial year 2011-12 including ₹ 1.75 for the period ended 27-02-2012.

i) **Income Tax Matters**

Particulars	March 31, 2014	March 31, 2013
Disputed Income Tax matter under appeal (Of the above an amounts of ₹ 2.52 (March 31, 2013: ₹ 2.52) has already been deposited with Income Tax Department)	9.24	9.24

j) **Other Claims against the Company not acknowledged as debts are as under:**

Matters with	Amount (in ₹)	
	2013-2014	2012-2013
Disputes with Operators	6.03	6.21
Entertainment Tax Department	2.74	5.79
Other Statutory Departments	1.00	1.12
Disputes related with Copyrights	-	0.94
Total	17.86	17.30

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.13 SEGMENTAL REPORTING

The Company is a Multi System Operator providing Cable Television Network Services, Internet Services and allied services which is considered as the only reportable segment. The Company's operations are based in India.

4.14 RELATED PARTY DISCLOSURES

A Entities under control but not considered for Consolidation

Others	Hathway Space Vision (Refer Note No. 4.2 (A) (i))
	Hathway Jhansi JMDSR Cable & Datacom Pvt Ltd.

B Others

1	Associate Company:	Hathway VCN Cablenet Pvt. Ltd. Pan Cable Services Pvt. Ltd.
2	Joint Venture	Hathway Sukhamrit Cable & Datacom Pvt Ltd (50%) (Refer Note No. 4.02(A) (v))
3	Entities owned by or under significant influence of individuals having significant influence on the Company	Coronet Investment Pvt Ltd Manali Investment and Finance Pvt Ltd Sonata Information Technology Ltd Peninsula Estates Pvt Ltd
3	Key Managerial Personnel and Relatives	Jagdish Kumar G Pillai - Managing Director (w.e.f. December 21, 2012) K. Jayaraman - Managing Director (up to December 21, 2012) G Satish Kumar (Relative of Key Managerial Personnel)
4	Promoter - Directors	Akshay Raheja Viren Raheja
5	Others	Hathway Cable Entertainment Pvt. Ltd. Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.

C Related Party Transactions

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

Type of Transaction	Name of the Party	March 31, 2014	March 31, 2013
Provision against Advances / Investment / Debtors made earlier written off during the year	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	2.09
Rent Office	Coronet Investment Pvt. Ltd.	0.20	-
	Manali Investment and Finance Pvt. Ltd.	0.22	-
	Peninsula Estates Pvt Ltd	0.10	-
Other Expenses	Hathway Sukhamrit Cable & Datacom Pvt Ltd	-	0.01
	G.Satishkumar	0.07	-
Remuneration and Perquisites	Key Managerial Personnel	2.11	2.16
Purchase of assets	Sonata Information Technology Ltd.	4.29	-
Net Advances made/ (recovered) During the year	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	(1.29)
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd. (Rupees 766 (March 31, 2013; Rupees 19,352,532))	0.00	(1.94)
	Hathway VCN Cablenet Pvt. Ltd.	0.10	0.10
	Hathway Cable Entertainment Pvt. Ltd.	0.05	0.05
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	1.14	1.12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

Type of Transaction	Name of the Party	March 31, 2014	March 31, 2013
Loans & Advances	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	0.11	0.11
	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	-
	Hathway VCN Cablenet Pvt. Ltd.	5.51	5.51
	Pan Cable Services Pvt. Ltd.	0.59	0.59
	Hathway Cable Entertainment Pvt Ltd	0.08	0.08
	Key Managerial Personnel	0.29	0.14
Security Deposit Given	Viren Raheja	1.26	-
	Akshay Raheja	1.26	-
	Others	0.14	-

4.15 CAPITAL AND OTHER COMMITMENTS:

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ 144.14 (March 31, 2013 ₹ 301.48).

4.16 UNHEDGED FOREIGN CURRENCY EXPOSURE:

Currency	March 31, 2014			March 31, 2013		
	Amount in Foreign Currency	Exchange Rate	Amount	Amount in Foreign Currency	Exchange Rate	Amount
Secured Loans						
USD	69,000,027	59.91	413.38	36,112,573	54.37	196.33
JPY	346,882,455	0.58	20.14	117,993	0.58	0.01
Accounts Payables						
USD	21,226,936	60.70	128.24	32,620,796	54.37	177.35
JPY	19,748,408	0.58	1.15	1,803,500	0.58	0.10
Other Firm Commitments						
USD	12,650,663	59.91	75.79	36,339,329	54.37	197.56
USD	9,706,342	0.58	0.56	-	-	-
Accounts Receivables						
USD	7,750,000	59.91	46.43	-	-	-

Above data pertains to Hathway Cable & Datacom Limited (Holding Company), Hathway Datacom Central Pvt. Ltd. (subsidiary) and GPL Hathway Pvt. Ltd. (subsidiary). In absence of details from other entities, this disclosure under Accounting Standard 11 is restricted to holding company and two of its subsidiaries.

4.17 DEFERRAL/CAPITALISATION OF EXCHANGE DIFFERENCES

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

In accordance with the amendment/earlier amendment to AS 11, the Company has capitalised exchange gain / (loss), arising on long-term foreign currency loan, amounting to ₹ (34.39) [March 31, 2013: ₹ (15.02)] to the cost of plant and equipment's. The Company has also capitalised exchange gain / (loss), arising on long-term foreign forward contract, undertaken to partially hedge the foreign current loan, amounting to ₹ 2.53 (Previous Year ₹ (0.62) to the cost of plant and equipments. The Company does not have any other long-term foreign currency monetary item. Hence, the amount of exchange loss deferred in the "Foreign Currency Monetary Item Translation Difference Account" is ₹ NIL (March 31, 2013: ₹ NIL).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.18 EARNINGS \ (LOSS) PER SHARE

Particulars	2013-14	2012-13
Profit \ (Loss) after tax (but including prior period adjustment, adjustment for change in policy by a subsidiary, profit share of associates and Minority Interest)	(111.11)	15.70
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Basic EPS	148,182,162	143,173,200
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Diluted EPS	148,182,162	143,248,990
Nominal value of ordinary shares (₹)	10	10
Basic EPS before extraordinary items (₹)	(7.50)	1.10
Diluted EPS before extraordinary items (₹)	(7.50)	1.10
Basic EPS after extraordinary items (₹)	(7.50)	1.10
Diluted EPS after extraordinary items (₹)	(7.50)	1.10

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

4.19 Rupees figures are mentioned in Crores unless otherwise stated.

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

Particulars	Amount (₹ In Crores)			
	March 31, 2014		March 31, 2013	
	Amount Proposed	Amount utilised	Amount Proposed	Amount utilised
Amount received from IPO				
Utilisation of funds upto 31 March 2013	Amount Proposed		Amount Proposed	
Acquisition of Customers	15.00	13.08	15.00	12.49
Investment in the development of digital capital expenditure, services and set top boxes	325.00	325.00	325.00	325.00
Investment in the development of broadband infrastructure, capital expenditure and services				
Repayment of loans	190.00	190.00	190.00	190.00
General Corporate Purpose	50.00	50.00	50.00	50.00
Interim use of fund (paying down short term credit limit)	-	1.92	-	2.51
Total	580.00	580.00	580.00	580.00
Less: To be funded by Borrowings	100.00	100.00	100.00	100.00
Total	480.00	480.00	480.00	480.00
Balance Unutilised				

4.21 Pursuant to introduction of DAS, in terms of TRAI Regulations the Company is required to inter alia generate subscriber level billing and enter into inter connect agreements with local cable operators with effect from November 1, 2013 in notified cities. However, due to market conditions, the Company had still to fully implement the regulations as stipulated by TRAI. Pending execution of documentations necessary adjustments have been made to the amount estimated income based on various underlying factors including rate charged by other MSOs, subsequent negotiations with cable operators etc. The management has reviewed the outstanding receivables and are certain that it is stated at realisable amount and no provisions / reversal is required. In addition, there are no claims from the LCOs in excess of the amount that have been recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

4.22 The amount receivable from a foreign party towards rendering of certain services has been disclosed net off amount payable to said party for import of capital goods, though unadjusted in the books of account. Application for necessary statutory approval has been made and the same is awaited.

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

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(VIREN THAKKAR)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & CEO

(AJAY SINGH)
Company Secretary & Compliance Officer

(VINAYAK AGGARWAL)
Director

Mumbai
Dated: May 29, 2014

Mumbai
Dated: May 29, 2014



HATHWAY CABLE & DATACOM LIMITED

CIN: L64204MH1959PLC011421

Rahejas, 4th Floor, Corner of V. P. Road and Main Avenue Road, Santacruz (East), Mumbai – 400 054
Tel: 91-22-26001306 Fax: 91-22-26001307 Website: www.hathway.com E-mail: info@hathway.net

ATTENDANCE SLIP

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

54th ANNUAL GENERAL MEETING

Registered Folio No./ DP ID No. / Client ID No : _____
No. of Shares : _____

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 54th Annual General Meeting of the Company at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400049 on Tuesday, August 5, 2014 at 3.00 p.m.

Name of the member / proxy / proxy

Signature of member

Please fill up the attendance slip and hand it over at the entrance of the meeting hall.
Members are requested to bring their copies of the Annual Report to the AGM.



HATHWAY CABLE & DATACOM LIMITED

CIN: L64204MH1959PLC011421

Rahejas, 4th Floor, Corner of V. P. Road and Main Avenue Road, Santacruz (East), Mumbai – 400 054
Tel: 91-22-26001306 Fax: 91-22-26001307 Website: www.hathway.com E-mail: info@hathway.net

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

54th ANNUAL GENERAL MEETING

Name of the Member(s) : _____
Registered address : _____
E-mail ID : _____
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
2. Name	E-mail Id	
Address	Signature : _____	or failing him
3. Name	E-mail Id	
Address	Signature : _____	or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 54th Annual general meeting of the Company, to be held on Tuesday, August 5, 2014 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 audited Balance Sheet, Profit & Loss Accounts, Report of Directors Report and Auditors Report for the financial year ended March 31, 2014.			
2	To appoint a Director in place of Mr. Rajan Raheja, liable to retire by rotation and being eligible seeks reappointment			
3	To appoint a Director in place of Mr. Akshay Raheja, liable to retire by rotation and being eligible seeks reappointment			
4	To appoint M/s. G. M. Kapadia & Co., Chartered Accountants as Auditors of the Company.			
Special Business				
5	Alteration of Articles of Association of the Company by adoption of new set of Articles of Association			
6	To appoint Mr. Brahma Vasudevan as an Independent Director upto August 4, 2019			
7	To appoint Mr. Sridhar Gorthi as an Independent Director upto August 4, 2019			
8	To appoint Mr. Sasha Mirchandani as an Independent Director upto August 4, 2019			
9	To appoint Mr. Devendra Shrotri as an Independent Director upto August 4, 2019			
10	To appoint Dr. Ashok Kumar Agarwal & Co., as Cost Auditors of the Company.			

Signed this day of 2014.

Signature of Member : _____

Signature of Proxy holder(s) : _____

Note:

- 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.
- 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.

Affix
Revenue
Stamp of ₹ 1



Hathway Cable & Datacom Limited

www.hathway.com

Toll Free No. 1800-221-119