

# Connecting the last mile



***hathway***

Hathway Cable & Datacom Limited

Annual Report - 2014-15  
[www.hathway.com](http://www.hathway.com)

# Contents



# Corporate Information

## BOARD OF DIRECTORS

Mr. Sridhar Gorthi  
DIN: 00035824  
*Chairman & Independent Director*

Mr. Rajan Raheja  
DIN: 00037480  
*Director*

Mr. Akshay Raheja  
DIN: 00288397  
*Director*

Mr. Viren Raheja  
DIN: 00037592  
*Director*

Mr. Jagdishkumar G. Pillai  
DIN: 00036481  
*Managing Director & CEO*

Mr. Vinayak Aggarwal  
DIN: 00007280  
*Director*

Mr. Sasha Mirchandani  
DIN: 01179921  
*Independent Director*

Mr. Brahma Vasudevan  
DIN: 00242016  
*Independent Director*

Mr. Devendra Shrotri  
DIN: 02780296  
*Independent Director*

Mr. Biswajit Subramanian  
DIN: 00905348  
*Independent Director*

Ms. Ameeta Parpia  
DIN: 02654277  
*Independent Director*

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ajay Singh  
FCS No.: 5189

## CHIEF FINANCIAL OFFICER

Mr. G. Subramaniam

## REGISTERED OFFICE

"Rahejas", 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (W), Mumbai - 400 054.  
Tel No.: 022 26001306; Fax No.: 022 26001307  
CIN: L64204MH1959PLC011421

## STATUTORY AUDITORS

G. M. Kapadia & Co.  
Chartered Accountants

## COST AUDITORS

Ashok Agarwal & Co.

## INTERNAL AUDITORS

Ernst & Young LLP

## ADVOCATES & SOLICITORS

Law Offices of Indu Malhotra & Associates  
Trilegal

Thakore Jariwala & Associates  
S. Mahomedbhai and Company (Mumbai)  
Tulsiraj Gokul and Associates (Hyderabad)  
Shiv Prakash and Associates (Bangalore)

## BANKERS

Axis Bank Limited  
Yes Bank Limited  
Kotak Mahindra Bank Limited  
ICICI 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

# Connecting the last mile



When Christopher Columbus undertook his voyages across the Atlantic Ocean in search for the 'New World' of the Americas, he was living in an era when every mile translated into days, sometimes weeks, of travel.

Today, we are living in our own 'new world' – a digital era where miles get transformed into seconds, sometimes milliseconds, of travel.





This is the world of Hathway, whose cable leverages multiple media platforms to span the last mile and reach out to homes of people across India. It is the world of India's biggest Cable and Broadband service provider, where Television and Internet services blend the latest technology with a Pan-India customer-centric approach.

This is the story of a new voyage of discovery, of connecting the last mile. It is a journey that, to quote French author Marcel Proust, consists not in seeking new landscapes but in having new eyes. At Hathway, we are seeing with those new eyes a future where every last mile is closely and intricately connected.



# Every mile counts

Hathway is one of the largest Multi System Operator (MSO) and Cable Broadband service providers in India. Our diversified product portfolio of Standard Definition (SD) and High Definition (HD) cable TV channel services, along with our High-Speed Broadband services, provides an array of exciting offerings to our ever-expanding customer base across the country.

We have a Pan-India ISP license and are also the country's largest Cable Broadband service provider. With our focus on connecting the last mile, we are currently serving 160+ cities and towns of India with Cable TV (CATV). Our Broadband services span 20 cities across the country.

*We believe that every mile counts and are thus continuously evolving to meet the transforming needs of our customers spread far and wide, through:*

- \* A robust digital CATV infrastructure encompassing 23 state-of-the-art digital Head-ends, sourced from global market leaders such as Ericsson and CISCO.
- \* HFC cable network connecting 11.8 million households for CATV and 8.5 million digital subscribers.
- \* More than 8.5 million Set-Top Boxes (STBs) seeded across the country.

*Leveraging our synergistic strengths and expertise, we have:*

- \* Emerged as India's largest cable broadband service provider with approximately 2.3 million two-way broadband homes passes.
- \* 40% share of the total cable broadband market in India, endorsing our leadership strength.



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

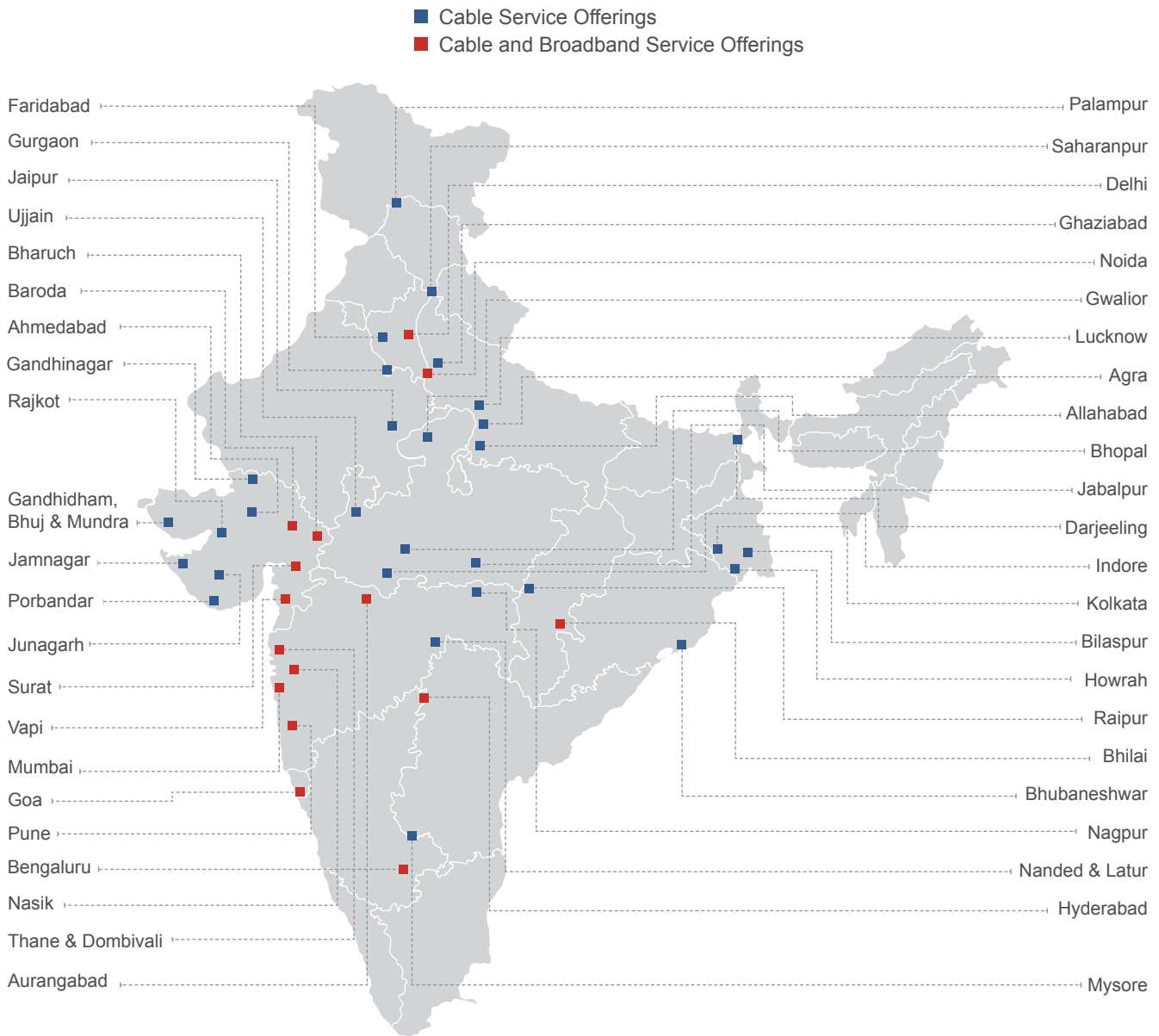


**Hathway's mission is to provide an incomparable world-class TV viewing & Broadband experience to every Indian customer.**



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

# Mapping the miles



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



# Reaching the last mile

The benefits of progressive digitisation of Cable Television (CATV) have percolated down to every stakeholder in the industry. Better viewer experience for the consumer and higher subscription-based revenues for the MSO – these are the fruits of digitisation resulting in superior quality, higher transmission speeds and virtually instant connectivity. As Television and Internet reach out to more homes across the country, contributing to the mission of creating a Digital India, the miles are getting smaller.

## Bridging miles through STBs and CAS

Hathway has been one of the early proponents and adopters of digitisation, and one of its early beneficiaries. Our Standard Definition (SD) and High Definition (HD) high-quality Set-Top Boxes (STBs) offer superior video and audio quality. Manufactured by Skyworth, a renowned industry leader, these STBs are deployed with the industry's most reputed and leading Conditional Access System (CAS) from CISCO (NDS). The system is integrated with our digital Head-ends that enable us to offer diverse services to a national audience.

## Offering a bouquet of entertainment & infotainment channels

Apart from distribution of satellite channels, Hathway offers viewers and subscribers a unique bouquet of entertainment & infotainment channels with popular music and movies in both Hindi and regional languages. These channels include H-Tube, CCC Cine Channel, Hathway Music, Hathway Shoppe, Hathway Life in association with National Geographic, Hathway Entertainment and Hathway Movies.



## Supporting connectivity with value-added services

The advent of digitisation has opened up new vistas of customer satisfaction. The Company is gearing up to enable services such as Video on Demand (VoD) and interactive television services.

Digital cable TV also allows operators to boost pricing power and grow ARPU (Average Revenue Per User). Bundled broadband boosts revenues and profits, and serves as competitive differentiation to DTH, while raising tax revenues for the Government.





## Ensuring customer satisfaction

Digitisation is truly a win-win proposition for the entire industry. For the customers, it translates into a new level of engagement through a sophisticated subscriber management system. We have put in place OBRM (Oracle Billing and Revenue Management) infrastructure to deliver a 360° customer experience through our state-of-the-art call centres. Our call centre partners are leaders in the space, who deliver a customer experience like no other provider, while ensuring early and satisfactory resolution of grievances and concerns.

## Offering true hi-speed Broadband

Apart from CATV, Hathway offers true hi-speed broadband internet connections to homes and offices. Our dedicated Fibre Optic connections come with a variety of plans that suit different requirements and budgets. Our true hi-speed broadband offering, with up to 50 MBPS connectivity, is connecting the last mile across an expanding customer base across the country.

## Taking broadband entertainment to new levels

Hathway has taken services for its broadband customers to a new high with the launch of 'Broadband Movies' streaming service. The service is a collaborative venture between Hathway and Eros Now (the dedicated online entertainment service of Eros International). The subscription-based streaming service enables Hathway Broadband customers to watch high quality movies from the Eros Now platform on multiple devices like smart TVs, PCs, laptops, tablets and mobiles.



As the first cable operator in India to offer broadband services and also the pioneer in offering HD services, we have the early-mover advantage that makes us one of the fastest-growing companies in the field.

# Creating last mile connectivity

With television overtaking books and newspapers as a key source of information and entertainment worldwide, the frontiers of Cable Television have expanded multifold in recent years. Watching television has become the ritual that reading the morning newspaper was until a few decades ago. It is estimated that an average literate person in India spends up to 1.63 hours a day watching television.

*(<http://blogs.wsj.com/indiarealtime/2010/11/15/do-young-indians-read-not-as-much-as-they-watch-tv/>)*



Supporting this transformation is the number of television channels that beam a truly humungous variety of programmes for the Indian viewer. Everything from reality TV, to soap operas and family dramas, and cinema is on the offer. Hathway has been at the forefront of this media frenzy with its multitude of services extending last mile cable connectivity to millions of subscribers. We are currently connecting more households in the country than anyone else across the cable and broadband space.



We currently offer 300+ SD channels along with 30 HD channels on our network through 23 high-quality digital Head-ends



With our strong focus on last mile connectivity, we are continuously upgrading our technological prowess to deliver a more superior and wider bouquet of offerings to the Local Cable Operators (LCOs).





Our CATV infrastructure of digital Head-ends ensures superior streaming quality, while our 16,000 kms. of Hybrid Fibre Coaxial (HFC) network and our telecom fibre network are the last word in high-quality network performance



## 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 FY 2014. The guide allows channel banner to display the programme synopsis and other details, on-screen guidance enables searching for programmes by genre/actor, among other things. With bright features, clear graphics, easy-to-use menus and information at one's fingertips, this is a handy tool that is bound to become a favourite with our customers.



With unique programming and the increasing ability to offer more channels, coupled with attractive packages for popular channels, we have consistently succeeded in delighting our customers. Segregated content offerings across different platforms make Hathway an ideal advertising sales platform, ensuring a wider platform of customer satisfaction.



# Speeding up last mile connectivity

Media is no longer device-specific; rather it is device-agnostic. Over the years, the phone has become smart, the computer has morphed into a tablet and the internet has gone mobile. So now, you can listen to the radio, make a call, receive and send e-mails, watch a film or indeed work on your presentation - all with the smartphone. Television has become internet-enabled, and computers have started featuring high definition screens such that you can access your media files on television or the computer.

With cheap mobile tariff plans giving way to affordable high speed mobile internet plans, net connectivity reigns supreme, at least for the foreseeable future.

Feeding this frenzy for high-speed net connectivity at homes and offices is Hathway, one of India's pioneers in high speed internet access. Our twin roles as purveyors of media content and providers of high speed internet connectivity place us in a unique position to benefit from increased demand for media and increased speed of access across different devices.



# Surf Fast. Surf More

Get the fastest surfing experience  
with Hathway Broadband



As the first MSO to offer broadband internet services, we have developed a niche, leadership position with 40% share of cable broadband



Our high speed broadband offering, on DOCSIS 3.0 standards, is transforming the world of ISPs in the country, promising an improved customer experience with exceptional connectivity speed.

## Scaling up the broadband experience

We have already upgraded ~20% of our subscriber base to the high speed DOCSIS 3.0 technology, which is driving better subscriber retention and lifting ARPU through new tariff plans to broadbase our services and accelerated expansion focus (as manifest in our month-on-month growth). As we continue to upgrade our existing base of 2.3 million broadband enabled homes to the new, 50 MBPS high speed technology, we see this shift translating into reduction in operating costs and increase in revenues, going forward.

As we penetrate deeper with our high speed broadband offering, we shall continue to enhance the pace with which we reach the last mile of our growing subscriber base.

CORPORATE OVERVIEW

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CONSOLIDATED FINANCIAL STATEMENTS

# Partnering with people at every mile

As a Company focussed on employee, partner and stakeholder delight, Hathway is continuously looking for new ways of reaching out to our people at every mile.

Our unique positioning as a source of distinctive media content and high speed internet access has enabled us to bring together a team that comprises the best in the industries of media, entertainment, broadcasting, telecom and retail, with their cross-functional skills a critical engine of growth.

We foster our team with passion and commitment, and nurture their talents while grooming their capabilities. Our goal is to emerge and remain as a great place to work, and we emphasise work-life balance as a minimum takeaway of our people focus. Our policies and actions are aimed at imbuing our people with a strong sense of ownership and pride, and ensuring employee happiness as a priority focus area.

We believe in inspiring satisfaction and growth across the network of our partners and work with them with a relationship mindset that is far superior to a transactional outlook. We forge and sustain long-term, mutually beneficial relationships and believe that in reaching the last mile, our partners have an important role to play.

We, therefore, look at our LCOs as the first peg in our last mile connectivity plans, with their growth inexorably linked to our own progress. We are consistently striving to help our LCOs enhance their scalability and boost earnings through technological guidance and other inputs.



We are a stakeholder-focussed company and value the trust that our promoters and investors have shown in investing in our business. We work with a singular focus on rewarding them for their confidence in us, and believe that when a company is able to reward its employees, its partners and its stakeholders, it plays a sustainable role





### LCOs

"Hathway is focussed towards issues on the ground and works together with all LCOs to ensure profitability and improving customer experience. We value our working relationship with Hathway as they are visionary and take their partners along with them always."

**Sridhar R, Local Cable Operator, Sri Sat Vision, Bengaluru**

### Employee

My 15 years long journey with Hathway has been exciting, eventful and full of learning. Having started my career as an Accounts executive here, I have grown with the Company and learnt the dynamics of the business with each day. The management, people and trade partners I have dealt with during my tenure have been some of the most experienced in the business and have contributed tremendously in the growth of Hathway. As we move forward in the digitisation regime, Hathway is best placed to adapt to the changing demands of the industry.

**Mahesh Mevada, General Manager - MIS, Hathway Cable and Datacom Limited**



### Suppliers

"Cisco's relationship with Hathway has come a long way since the launch of its cable broadband service in 2000, wherein we form the core of the Company's cutting-edge broadband infrastructure. Hathway also showed great confidence in our software solutions to support its digital cable TV offering, launched in 2003. Hathway has always carried an image of the technology trendsetter in the cable and satellite industry, as endorsed by the launch of India's first cable broadband service, the adoption of DOCSIS 3.0 standards, the roll-out of India's first digital cable TV services and embracing new and advanced technologies in its endeavour to offer something extra to the subscribers. We are pleased to be associated with Hathway as their trusted technology partner, providing them with a foundation for high speed broadband, differentiated video services, increased revenues and ongoing subscriber growth, through our world leading broadband and pay-TV solutions."

**Sanjay Kaul, Managing Director, Service Provider Business, Cisco India and SAARC**





# Serving communities across miles

We do not believe in merely connecting with people across the country; we believe in serving them too. Our last mile connectivity extends beyond our service offerings to encompass all those essentials which make a difference to the lives of people at every mile of their life journey. We run several programmes and institutions to serve the communities around which we operate.

## BUNIYAAD, Mumbai



Buniyaad is an NGO that provides pre-Primary education to children from the economically less privileged sections of the society by establishing English Medium Playgroups & Nurseries in their own environment & colonies. Hathway and its employees are associated with Buniyaad in a variety of events. These include interacting with the underprivileged kids of Buniyaad, conducting various games and classes where children find a platform to exhibit their skills in painting and art with the help of vegetables instead of the paint brush.

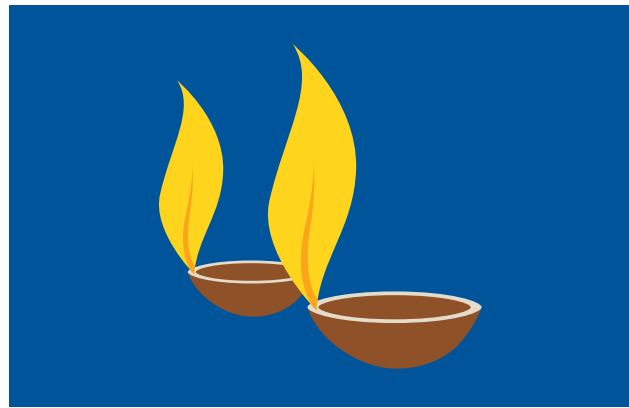
## CHRISTMAS CELEBRATION — APNAGHAR (CHILDREN HOME), Jaipur

ApnaGhar is a Shelter Home for children struggling for survival on the streets, without a home or any family ties. It was established in October 1994 by its mother NGO, Jan Kala Sahitya Manch Sanstha (JKSMS). At ApnaGhar, we celebrated Christmas with the kids during the year, teaching them the importance of the festival through various games. One of our staff members modelled as Santa Claus and distributed gifts, toys, chocolates & snacks to the underprivileged children of ApnaGhar.



## DIWALI CELEBRATION— NETRAHEEN KANYA VIDYALAYA, Jabalpur

Netraheen Kanya Vidyalaya is a home for poor blind girls abandoned by their parents because of their blindness. During the year, we tried to bring a smile on the faces of these by celebrating Deepawali with them. Instead of bursting fireworks, we decided to celebrate eco-friendly Deepawali, where we brought home-made chocolates, snacks and gifts for the girls, who gave an outstanding musical performance.



## BALVIKAS ASHRAM, Hyderabad



Balvikas Ashram is run by Navjyothi Mahila Mandali, which provides complete security to abandoned and destitute children by adopting and housing them. At Balvikas Ashram, we conducted a food drive for the children during the year.

## WOOLLEN CLOTHES DISTRIBUTION

“PIPLIYA PAINDE KHAN VILLAGE”, Near Bhopal  
 We have adopted one village named “PIPLIYA PAINDE KHAN” and took the oath to motivate all children to go to school and make them literate. We organised an event for school-going children, which was attended by the Home Minister of Madhya Pradesh. We distributed woollen clothes (sweaters and lowers) to the school children.



# Profile of Board of Directors

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## Mr. Sridhar Gorthi

*Chairman & 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.

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## Mr. Jagdishkumar G. Pillai

*Managing Director & CEO*

### **Education**

*B.Com and Member of the Institute of Chartered Accountants*

## Professional experience

He has more than 28 years of professional experience, having worked in numerous leadership positions with bluechip companies like ITC Ltd, STAR TV and Reliance Industries Ltd. Mr. Jagdishkumar 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 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.

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## 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.

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## 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.

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## 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. Vinayak Aggarwal

Director

### Education

B.Com, Grad. CWA, PGDM  
(IIM-Ahmedabad)

## Professional experience

More than two decades of work experience in Project Appraisal, Mergers and Acquisitions, Treasury Operations, etc.

## Mr. Brahmaj Vasudevan

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 Chrys Capital, a leading private equity firm focussed 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 Chrys Capital, Brahmaj was at ASTRO, a pay-TV operator in South East Asia, where he was involved in strategy, marketing and expansion into neighbouring countries.

## Mr. Devendra Shrotri

Independent Director

### Education

MBA degree from Columbia Business School, New York, Masters in Computer Science & Engineering from University of South Carolina, Columbia and 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. 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. 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.

## Ms. Ameeta Parpia

Independent Director

### Education - LLB

## Professional experience

She is a renowned Advocate and Solicitor partner of Messrs A H Parpia and Company, Advocates and Solicitors. Ms. Parpia passed the Examination (conducted by the Bombay Incorporated Law Society) in 1990 and specialises in the field of "Conveyancing", which covers knowledge of not only personal laws but also laws relating to immovable property and documentation.

# Going miles ahead in leadership

Our outlook of reaching the last mile has been rewarded with industry recognition. It has reiterated our thought and market leadership and has been a source of continual motivation for us to sustain our endeavours.



Hathway is recognised as amongst the leading MSO's in the industry

We have been awarded the Best MSO by the Indian Telly Awards for a record 8 times



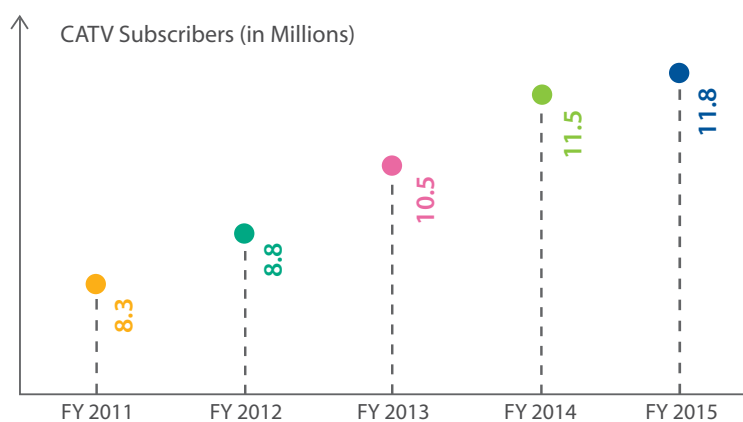
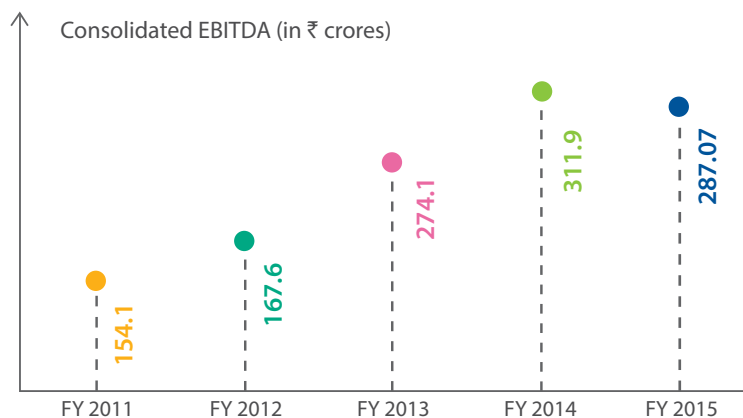
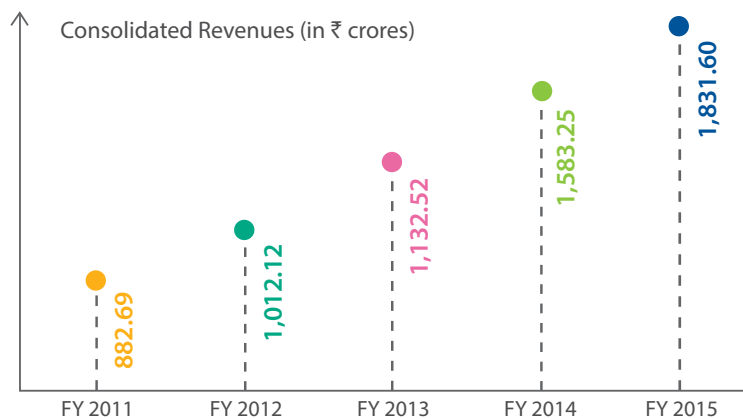
We are recipients of the Star News Brand Excellence Awards for Digital Products and Internet Services



We received the Excellence in Digitising India Award from the First Indian Digital TV Honours.



# Going miles ahead in our journey





# HATHWAY CABLE & DATACOM LIMITED

'Rahejas', 4th Floor, Corner of Main Avenue & V.P. Road,  
Santacruz (West), Mumbai – 400054  
Tel: 91-22-26001306 Fax: 91-22-26001307  
CIN: L64204MH1959PLC011421  
Website: www.hathway.com ; Email: info@hathway.net

## NOTICE

**NOTICE is hereby given that the Fifty Fifth Annual General Meeting of the Company will be held on Tuesday, August 11, 2015 at 3.00 p.m., at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400049, to transact the following business:**

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Viren Raheja, (DIN 00037592) who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vinayak Aggarwal, (DIN 00007280) who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Biswajit Subramanian, (DIN 00905348) who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and rules, circulars, notifications made/ issued thereunder, including any amendment, modification, variation or re-enactment thereof, the appointment of M/s G M Kapadia & Co., Chartered Accountants (Firm Registration No. 104767W) as the Statutory Auditors of the Company, which has been approved at the Annual General Meeting held on August 5, 2014, for a term of 3 years i.e. from the conclusion of the Fifty Forth Annual General Meeting until the conclusion of the Fifty Seventh Annual General Meeting, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and / or otherwise considered by them to be in the best interest of the Company including fixing of their remuneration.”

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** Ms. Ameeta Parpia (DIN 02654277), who was appointed as an Additional Director with effect from 11th February 2015, as an Independent Director of the Company, pursuant to provisions of Section 149(1) of the Act (the said Act), and Clause 49(II)(A) of the Listing Agreement entered into by the Company with the Stock Exchanges and in accordance with the Articles of Association of the Company, to hold office up to the date of the ensuing Annual General Meeting of the Company and for whom, the Company has received a notice under Section 160 of the said Act along with a requisite deposit from a shareholder proposing the candidature of Ms. Ameeta Parpia, for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office upto 10th February, 2020 and that she 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.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 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, payment of remuneration to M/s. Ashok 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, as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, of ₹ 5,00,000/- (Rupees Five Lakhs only) plus out of pocket expenses be and is hereby ratified.

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

**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.”

#### BY ORDER OF THE BOARD

**AJAY SINGH**

**Company Secretary & Compliance Officer**

FCS No : 5189

Rahejas, 4th Floor, Corner of Main

Place: Mumbai

Avenue & V.P. Road, Santacruz

Date: May 29, 2015

West, Mumbai 400054

#### 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 authorizing 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 Monday, 3rd August, 2015 to Wednesday, 5th August, 2015 (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 dematerialized form are requested to write their Client ID and DP ID and those who hold in physical form are requested to write their folio number in the attendance slip.
14. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email

addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent in respect of shares held in physical form and with respective Depository Participants (DP) where the shares are held in dematerialized form. Shareholders holding shares in physical form can send their email address for registration to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) quoting the Folio Number and Name of the Company.

15. THE COMPANY IS PROVIDING FACILITY FOR VOTING BY ELECTRONIC MEANS AND THE BUSINESS MAY BE TRANSACTED THROUGH E VOTING.
16. THE FACILITY FOR VOTING THROUGH BALLOT OR POLLING PAPER SHALL BE MADE AVAILABLE AT THE MEETING AND THE MEMBERS ATTENDING THE MEETING WHO HAVE NOT ALREADY CAST THEIR VOTES BY REMOTE EVOTING SHALL BE ABLE TO EXERCISE THEIR RIGHT AT THE MEETING.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Friday, 07th August, 2015 at 10.00 am and ends on Monday, 10th August, 2015 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, 04th August, 2015, may cast their vote electronically. The-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your UserID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company /Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• Incase the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
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.
Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Bank Details inorder to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

- (xi) Click on the EVSN for the relevant <Hathway Cable & Datacom Limited> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting menu available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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 Tuesday, 04th August, 2015

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 conclusion of the Annual General Meeting of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.hathway.com](http://www.hathway.com) and on the website of CDSL. The results will also be communicated to the Stock Exchanges on which the Company’s equity shares are listed.

#### BY ORDER OF THE BOARD

**AJAY SINGH**

**Company Secretary & Compliance Officer**

FCS No : 5189

Rahejas, 4th Floor, Corner of Main

Avenue & V.P. Road, Santacruz

West, Mumbai 400054

Place: Mumbai

Date: May 29, 2015

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

##### ITEM NO. 5

Justification under Section 150(2) of the Companies Act, 2013 for considering the appointment of Ms. Ameeta Parpia as Independent Director is as under:

Ms. Ameeta Parpia is a renowned Advocate and Solicitor partner of Messrs. A H Parpia and Company, Advocates and Solicitors. Ms. Parpia has passed the Examination (conducted by the Bombay Incorporated Law Society) in 1990 and specializes in field of “Conveyancing”, which covers knowledge of not only personal laws but also laws relating to immovable property and documentation.

Ms. Ameeta Parpia has been a Non-Executive Independent Director of Prism Cement Limited since May 5, 2010 and of Supreme Petrochem Limited since April 24, 2013.

The other details of Ms. Parpia in terms of Clause 49 of the Listing Agreement, is annexed to this Notice.

In terms of Section 161(1) of the Companies Act, 2013, Ms. Parpia holds office as Additional Director only up to the date of the forthcoming Annual General Meeting. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 along with the amount of requisite deposit from one of the members signifying his intention to propose the appointment of Ms. Parpia as a Director.

The Board of Directors is of the opinion that her vast knowledge and varied experience will be of great value to the Company and hence recommends the Resolution at Item No. 5 of this Notice for your approval. Notice received under Section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hour son any working day up to the date of the Annual General Meeting.

Except Ms. Ameeta Parpia and her relatives, none of the persons specified in Section 102 of the Companies Act, 2013, namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel are concerned or interested financially or otherwise in the above resolution

#### **ITEM NO. 6**

The Board of the Directors of the Company as per the recommendation of the Audit Committee, has approved the appointment of M/s. Ashok Agarwal & Co., Cost Accountant, as Cost Auditor, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 and also approved the remuneration of ₹ 5,00,000/- (Rupees Five Lakhs 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 seek approval of the members by passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016.

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

#### **BY ORDER OF THE BOARD**

**AJAY SINGH**

**Company Secretary & Compliance Officer**

FCS No : 5189

Rahejas, 4th Floor, Corner of Main

Avenue & V.P. Road, Santacruz

West, Mumbai 400054

Place: Mumbai

Date: May 29, 2015

**DETAILS OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 (VIII) (E) OF THE LISTING AGREEMENT) ARE AS UNDER:**

Name of Director	Mr. Viren Raheja	Mr. Vinayak Aggarwal	Mr. Biswajit Subramanian	Ms. Ameeta Parpia
Date of Birth	13th June, 1984	12th April, 1969	19th September, 1965	22nd September, 1965
Nationality	Indian	Indian	British	Indian
Date of Appointment on the Board	28th March, 2008	04th June, 1996	11th May, 2012	11th February, 2015
Qualifications	MBA from London Business School & CFA	CWA & IIM Ahmedabad	B.Tech from IIT, Master's Degree in Electrical Engineering from the University of California and MBA from Wharton School of Pennsylvania	LLB
Expertise in Specific Functional Area	Experience in Cable Television, Satellite Communications, Retailing, Investment Companies, Petro-Chemicals, Real Estates, etc.	More than two decades of work experience in Project Appraisal, Mergers and Acquisitions, Treasury Operations, etc.	1) Mergers & Acquisitions and corporate finance experience through past investment banking experience at Morgan Stanley and investment experience at Providence Equity. 2) Cable & telecom sector experience from past board positions at Idea Cellular Ltd (India), Kabel Deutschland AG (Germany) and Eircom Ltd (Ireland).	Specialization in the field of "Conveyancing", which covers knowledge of not only personal laws but also laws relating to immovable property and documentation.
Number of shares held in the Company	11,95,53,000	Nil	Nil	27,315
List of the directorships held in other companies*	1. Sonata Software Limited 2. Innovassynth Technologies Limited 3. Asianet Satellite Communication Ltd	1. Asianet Satellite Communication Ltd 2. Exide Life Insurance Company Limited	1. Aditya Birla Telecom Limited 2. UFO Moviez India Limited	1. Prism Cement Ltd 2. Supreme Petrochem Limited 3. Raheja QBE General Insurance Company Limited
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	1. Asianet Satellite Communication Ltd – Audit Committee -Member	Nil	Nil	Nil

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



# DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 55th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2015.

## 1. FINANCIAL AND OPERATIONAL OVERVIEW:

### a. Financial Highlights:

Your Company's performance during the year ended 31st March, 2015 as compared to the previous financial year, is summarized as below:

Particulars	Consolidated			Standalone		
	2014-2015	2013-14	Growth (%)	2014-2015	2013-14	Growth (%)
Operating & Other Income	1,858.74	1,593.41	16.65	1,037.40	987.80	5.02
Earnings before interest, depreciation, amortization & taxes	287.07	311.90	(7.96)	153.95	191.28	(19.52)
Interest	153.50	134.51	14.12	105.76	92.52	14.31
Depreciation & Amortization	323.84	291.24	11.19	222.88	202.29	10.18
Impairment of Tangible / Intangible Assets	4.09	8.05	(49.19)	4.10	8.07	(49.19)
Goodwill on consolidation written off	3.77	-	-	-	-	-
Prior Period Expenses (Net)	(0.92)	2.57	(135.80)	0.27	3.05	(91.15)
Exceptional Items	(50.65)	-	-	(3.84)	10.60	(136.23)
Amount transferred on change in stake in Subsidiaries/Joint Ventures	7.62	20.81	(63.38)	-	-	-
Minority Interest	(13.94)	8.79	(258.59)	-	-	-
Profit/(Loss) Share of Associates	0.40	(0.01)	(4,100.00)	-	-	-
Excess/Short provision for taxation in earlier years	0.93	(0.02)	(4,750.00)	-	-	-
Provision for Taxation – MAT Credit, Current Tax & Deferred Tax	27.05	16.25	66.46	-	-	-
<b>Net Profit/(Loss)</b>	<b>(180.45)</b>	<b>(111.11)</b>	<b>62.41</b>	<b>(175.22)</b>	<b>(125.25)</b>	<b>39.90</b>

During the year under review, the total income of your Company was ₹ 1,037.40 Crores on a standalone basis and ₹ 1,858.74 Crores on a consolidated basis as compared to the previous financial year's total income of ₹ 987.80 Crores on a standalone basis and ₹ 1,593.41 Crores on a consolidated basis. The net loss for the year under review, after taxation and exceptional items, stood at ₹ 175.22 Crores on a standalone basis and ₹ 180.45 Crores on a consolidated basis.

### b. Operational Highlights:

Your Company is a leading cable television service provider in India, as well as one of the leading cable broadband service providers. Your Company offers cable television services across 160 cities and towns and high-speed cable broadband services across 20 cities. Your Company has won number of awards for Cable television services including "Best MSO" award conducted by Indian Telly Awards for a record eight times. Your Company has established 23 digital head-ends in the country.

Your Company holds a PAN India ISP license and is the first cable television service provider to offer broadband

internet services and currently India's largest cable broadband service provider, with approximately 2.3 million two-way broadband enabled homes passed, as on 31st March, 2015. In addition to cable television and broadband service offerings, your Company also generates advertising and airtime revenue from advertisements aired on channels such as Hathway Music channel, Hathway CCC, Hathway Shopee, H-tube, Hathway Life, Hathway Movies and Hathway Entertainment.

#### (i) Cable TV Business:

During the year under review, your Company has seeded 0.43 million Set Top Boxes (STB) cumulatively totaling to 8.5 million STB seeded. With nearly 72% subscriber base digitized, your Company became the biggest Multi System Operator (MSO) in India as far as digital subscriber base is concerned. With nearly 5,00,000 STB's in stock, your Company will continue to seed boxes at a rapid pace in near future as well. Of the total digitized subscriber base, nearly 1.8 million subscribers fall in Phase III territories. Your Company is thus amongst the best positioned in the industry to exploit the Phase III and Phase IV markets.

The strategy of your Company is to roll out a "semi" prepaid business model which facilitates Local Cable Operators (LCO) to respond more quickly to customers' request for specific packages/channels on a-la-carte basis. This initiative has been received well by our LCO business partners and will be the model for a national roll out in future. LCOs have been provided a portal and an Android application to help them to ensure better customer management. We anticipate that with smarter packaging the company will be able to drive higher average rate per unit (ARPU).

Your Company has received a great feedback on our new single tier HD product proposition. The proposition is priced at ₹ 150 per month in which the customer can view 34 high quality HD channels.

Your Company has become the first MSO to launch HD PVR in December, 2014. The HD PVR has several features like 'Pause and Rewind LIVE TV' and 'Record program/Series' etc. that will enhance the TV viewing experience of the customers.

During the year under review, your Company has reached satisfactory conclusion in contracts for royalty payments to broadcasters. Where broadcasters have moved to a Reference Interconnection Offer (RIO) structure, the format has worked well for the Company. As anticipated, placement revenues continue to play an important role at present showing little or no decline.

Your Company is working with the assumption that the Government of India will stick to its deadlines for Phase III and Phase IV digitization. Your Company has planned its investments accordingly. We also believe that value added services and innovative content will give a further fillip to ARPU in the future. Your Company is almost unique in the industry in carrying a lot of original programming put together specifically for our platforms (4-5 channels). Your Company has tremendous opportunity to monetize these brands via advertising, focussing towards communities that it serves.

## (ii) Broadband Business:

The Broadband reach of your Company is about 2.3 million homes where it can offer our services. This makes us the largest Multi System Operator providing such services in the Country. Your Company is a Category-A Internet Service Provider (ISP) and it covers both retail and corporate segments.

India has around 15 million wireline broadband subscribers as on 31st December, 2014 (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 Cable TV homes.

As of 31st March, 2015, your Company has over 4.5 Lakhs broadband subscribers, which makes 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, your Company is well placed to garner a larger share of the growing broadband market. Your Company successfully implemented DOCSIS 3.0 high speed broadband service in many cities for Broadband business and has received a good response to the same across Mumbai, Bangalore, Pune, Hyderabad and Delhi. At present we are providing 50 Mbps speed to our DOCSIS 3.0 customers and we are further augmenting our network to provide 100 MBPS speed in future. Based on continuous customer service improvement, we could also improve customer ARPU by ₹ 200 on monthly basis. This also makes your Company business model more sustainable and gives you all a healthy return of income (ROI). Your company has also associated with International Lawn Tennis player Ms. Sania Mirza as brand ambassador. This is to ensure that there is further improvement of customer perception about our services.

### c) Consolidated Accounts:

The consolidated financial statements of your Company for the financial year 2014-2015, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and Listing Agreement as prescribed by the Securities and Exchange Board of India (SEBI).

### d) Report on performance of subsidiaries, associates and joint venture companies:

A statement containing the performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March, 2015 is given, pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014 in AOC-1 in **Annexure - I** to this report.

Details of companies/entities which have become or ceased as subsidiary company, associates and joint ventures, during the year under review, are as under:

Name of the Company	Relationship with the Company	Details of changes	Date of change
Hathway Broadband Private Limited	Wholly Owned Subsidiary Company	Acquired 100% shares	21.08.2014
GTPL Bansidhar Telelink Private Limited	Subsidiary Company	Became subsidiary of GTPL Hathway Private Limited	05.11.2014
GTPL KCBPL Broadband Private Limited	Subsidiary Company	Became subsidiary of GTPL Hathway Private Limited	03.11.2014
Hathway Universal VCN Cable Network LLP	Joint Venture of the Wholly Owned Subsidiary Company	Hathway Universal Cable & Datacom Private Limited became partner in the LLP with 42% interest.	20.03.2015



The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company.

**e) Management Discussion and Analysis:**

The Management Discussion and Analysis forms an integral part of this Report and gives detail of the overall industry overview, business overview, and performance review and state of affairs of the Company in Cable Television business and Broadband business during the year under review. It also highlights the investments made in Phase I and Phase II areas relevant for Digital Addressable System (DAS), value added services and bundling, risk management and Human Resource.

**f) Dividend:**

Considering the losses incurred during the year under review, your Directors have not recommended any dividend for the financial year under review.

**g) Transfer to reserves:**

In view of losses incurred during the year under review, your Directors have not recommended transfer of any amount to reserves during the financial year under review.

**h) Revision of financial statement:**

There was no revision of the financial statements for the year under review.

**i) Deposits:**

Your Company has not accepted any public deposits during the year under review within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

**j) Disclosures under section 134(3)(l) of the Companies Act, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

**k) Disclosure of Internal Financial controls:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal

Auditors of the Company for inefficiency or inadequacy of such controls. The Company has planned to rollout IFC in two phases. As part of phase I, we have developed all the financial policies and documented all the financial and IT controls. Across 8 mega processes, we have identified and documented approximately 100 controls. We had appointed E&Y to compile / develop the policies and document the financial and IT controls. For each control, a test plan is also documented. These controls are being independently tested by the Management Audit Team (MAT). MAT has tested 80% of controls and no material or significant deficiency has been observed. As part of the phase II, we intend to do the following:

- Document all the operational policies and controls,
- Develop process notes for all the key processes,
- Going forward, on an half yearly basis, MAT will perform independent testing of the controls. Based on the test results, management will take necessary corrective action.

**l) Particulars of loans, guarantees, investments and securities:**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note No. 4.13 to the standalone financial statement).

**2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**a) BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

Ms. Ameeta Parpia (DIN: 02654277) was appointed as an Additional Independent Director of the Company on 11th February, 2015 to hold office upto the date of ensuing Annual General Meeting. Your Company has received notices from shareholders along with requisite deposits proposing the candidature of Ms. Ameeta Parpia for appointment as Director at the ensuing Annual General Meeting.

None of the Directors of your Company have resigned as Director of the Company.

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

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Viren Raheja, Mr. Vinayak Aggarwal and Mr. Biswajit Subramaniam shall retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend the same for your approval.

**b. DECLARATIONS BY INDEPENDENT DIRECTORS:**

Your Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

**3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:****a. BOARD MEETINGS:**

The Board of Directors met 10 times during the financial year ended 31st March, 2015 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Board of Directors met during the financial year under review are as under:

Sr. No.	Date of the Board Meeting
1	29th May, 2014
2	7th August, 2014
3	12th August, 2014
4	5th September, 2014
5	9th September, 2014
6	10th September, 2014
7	10th October, 2014
8	14th October, 2014
9	13th November, 2014
10	11th February, 2015

**b. DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2015, the Board of Directors hereby confirms that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the loss of the Company for that year;
- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis;

- internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**c. NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee was reconstituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

Sr. No.	Name of the Member	Designation
1	Mr. Sasha Mirchandani	Chairman
2	Mr. Viren Raheja	Member
3	Mr. Akshay Raheja	Member
4	Mr. Sridhar Gorthi	Member
5	Mr. Devendra Shrotri	Member
6	Mr. Brahma Vasudevan	Member

The Board of Directors has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining credentials, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

**d. AUDIT COMMITTEE:**

The Audit Committee was reconstituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of:

Sr. No.	Name of the Member	Designation
1	Mr. Sridhar Gorthi	Chairman
2	Mr. Viren Raheja	Member
3	Mr. Sasha Mirchandani	Member
4	Mr. Devendra Shrotri	Member
5	Mr. Brahma Vasudevan	Member
6	Ms. Ameeta Parpia	Member

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

**e. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has reconstituted the Stakeholders' Relationship Committee, comprising of:

Sr. No.	Name of the Member	Designation
1	Mr. Vinayak Aggarwal	Chairman
2	Mr. Viren Raheja	Member
3	Mr. Jagdishkumar G. Pillai	Member

The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee.

**f. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:**

The Board of Directors of Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

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

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

**g. RISK MANAGEMENT POLICY:**

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

**h. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

As per the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as under:

Sr. No.	Name of the Member	Designation
1	Mr. Devendra Shrotri	Chairman
2	Mr. Jagdishkumar G. Pillai	Member
3	Mr. Vinayak Aggarwal	Member

The Board of Directors of the Company has approved CSR Policy based on the recommendation of the CSR Committee. Since the Company has no profits in preceding 3 financial years, no amount was required to be spent for corporate social responsibility activities.

The CSR Policy of the Company is available on the Company's web-site and can be accessed in the link provided hereinbelow:

[http://www.hathway.com/assets/InvFile/HCDL\\_CSR\\_Policy.pdf](http://www.hathway.com/assets/InvFile/HCDL_CSR_Policy.pdf)

**i. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:**

The performance of the Board of Directors and its Committees, individual Directors was evaluated on annual basis in the previous meeting of the Board of Directors held on 11th February, 2015 and the same was recorded as satisfactory.

**j. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5(2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review and Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure - II**.

**4. AUDITORS AND REPORTS**

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

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015:**

The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2015 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH, 2015:**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s Rathi and Associates, Company Secretaries has been appointed to issue Secretarial Audit Report for the financial year 2014-15.

Secretarial Audit Report issued by M/s Rathi and Associates, Company Secretaries in Form MR-3 for the

financial year 2014-15 forms part of this report and the same is attached as **Annexure - III**. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**c. RATIFICATION OF APPOINTMENT OF AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. G. M. Kapadia & Co, Chartered Accountants, the Statutory Auditors of the Company have been appointed for a term of 3 years. However, their appointment as Statutory Auditors of the Company shall be required to be ratified by the Members at the ensuing Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

**d. COST AUDITORS:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated 29th May 2015, appointed M/s. Ashok Agarwal & Co, Cost Accountants as the Cost Auditors of the Company for the financial year 2015-2016. The remuneration proposed to be paid to the Cost Auditor, subject to the ratification by the members at the ensuing AGM, would not be exceeding ₹ 5,00,000 (Rupees Five Lacs only) plus out of pocket expenses, if any. The Cost Audit Report will be filed within the stipulated period of 180 days from the closure of the financial year.

**5. OTHER DISCLOSURES:**

Other disclosures as per provisions of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are furnished as under:

**a. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2015 made under the provisions of Section 92(3) of the Companies Act, 2013 is attached as **Annexure - IV** which forms part of this Report.

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

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure - V** which forms part of this Report.

**c. RELATED PARTY TRANSACTIONS:**

During the financial year 2014-15, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and Clause 49 of the Listing Agreement. During the financial year 2014-15, there were no transactions with related parties which qualifies as material transactions under the Listing Agreement.

**d. CORPORATE GOVERNANCE: (Applicable to Companies giving remuneration as per Section II of Schedule V):**

All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors ( <b>Applicable only in case of Managing Director</b> )	₹ 327.55 Lacs
Details of fixed component and performance linked incentives along with the performance criteria*	₹ 191.07 Lacs (Fixed) ₹ 136.48 Lacs
Service contracts, notice period, severance fees	Not Applicable
Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Not Applicable

\* Subject to achievement of various Company and personal performance targets as stipulated by the Board.

**6. GENERAL:**

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
2. Issue of sweat equity shares to employees of the Company as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
3. Issue of equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014

4. Instances of exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014
5. Payment of remuneration or commission from any of its Holding or subsidiary Companies to the Managing Director or the Whole-time Directors of the Company.
6. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. Cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **7. ACKNOWLEDGEMENT AND APPRECIATION:**

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business

partners/associates, financial institutions and Central and State Government(s) for their consistent support and encouragement to the Company.

#### **For and on behalf of the Board**

**Jagdishkumar G. Pillai**  
Managing Director &CEO  
DIN 00036481

**Vinayak Aggarwal**  
Director  
DIN00007280

Date: 29/05/2015  
Place: Mumbai

#### **Registered Office**

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

CIN: L64204MH1959PLC011421

Tel No. 022-26001306 Fax No. 022-26001307

Email:info@hathway.net, website: www.hathway.com



**Annexure - I****AOC-1****Part - A:**

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES, PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 AND 8 OF COMPANIES (ACCOUNTS) RULES, 2014

(₹ In Crores unless Otherwise Stated)

Reporting period: 01/04/2014 to 31/03/2015 & Reporting Currency in INR

Sl. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Channels India Network Pvt. Ltd.	-	0.09	(1.41)	0.02	0.02	-	0.00	(0.00)	-	(0.00)	N.A	95.63%
2	Vision India Network Pvt. Ltd.	-	0.09	(2.15)	0.01	0.01	-	0.00	(0.00)	-	(0.00)	N.A	100.00%
3	Liberty Media Vision Pvt. Ltd.	-	0.01	(2.25)	0.11	0.11	-	0.00	(0.01)	-	(0.01)	N.A	100.00%
4	Ideal Cables Pvt. Ltd.	-	0.08	(0.89)	0.01	0.01	-	0.00	(0.01)	0.03	(0.04)	N.A	100.00%
5	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	-	0.49	0.20	4.50	4.50	-	0.04	(1.23)	0.00	(1.23)	N.A	51.00%
6	Bee Network & Communication Pvt. Ltd.	-	0.10	(1.44)	-	-	-	0.00	(0.00)	-	(0.00)	N.A	100.00%
7	Elite Cables Network Pvt. Ltd.	-	0.06	(0.08)	-	-	-	0.00	(0.00)	-	(0.00)	N.A	80.00%
8	Binary Technology Transfers Pvt.Ltd.	-	0.01	(1.63)	-	-	-	0.00	0.00	-	0.00	N.A	100.00%
9	Hathway Media Vision Pvt. Ltd.	-	0.07	0.81	6.46	6.46	2.46	0.58	0.01	-	0.01	N.A	100.00%
10	UTN Cable Communication Pvt. Ltd.	-	0.66	(3.63)	5.05	5.05	-	6.00	(5.01)	0.04	(5.05)	N.A	96.27%
11	ITV Interactive Media Pvt. Ltd	-	0.08	(0.50)	0.03	0.03	-	-	(0.00)	-	(0.00)	N.A	100.00%

Sl. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
12	Chennai Cable Vision Network Pvt. Ltd.	-	0.18	(2.15)	0.03	0.03	-	0.00	(0.00)	-	(0.00)	N.A	75.99%
13	Hathway Universal Cabletel & Datacom Pvt. Ltd.	-	0.01	(0.01)	1.27	1.27	-	0.00	(0.00)	-	(0.00)	N.A	100.00%
14	Win Cable & Datacom Pvt. Ltd.	-	0.21	(19.78)	0.83	0.83	-	0.21	0.20	-	0.20	N.A	100.00%
15	Hathway Space Vision Cabletel Pvt. Ltd.	-	0.01	(1.05)	0.00	0.00	-	0.00	(0.00)	-	(0.00)	N.A	100.00%
16	Hathway Software Developers Pvt.Ltd.	-	0.37	(5.00)	7.75	7.75	0.00	5.23	(3.18)	0.02	(3.21)	N.A	71.85%
17	Hathway Nashik Cable Network Pvt. Ltd.	-	0.05	(9.81)	0.70	0.70	-	0.00	0.00	-	0.00	N.A	90.06%
18	Hathway Cnet Pvt. Ltd.	-	0.10	(0.53)	0.01	0.01	-	0.00	(0.00)	(0.00)	(0.00)	N.A	100.00%
19	Hathway United Cables Pvt. Ltd.	-	0.01	(0.03)	0.18	0.18	0.00	0.00	0.00	-	0.00	N.A	100.00%
20	Hathway Internet Satellite Pvt. Ltd.	-	0.01	(1.62)	-	-	-	-	0.00	-	0.00	N.A	100.00%
21	Hathway Krishna Cable Pvt. Ltd.	-	6.21	1.61	13.94	13.94	0.00	13.02	(0.17)	(0.30)	0.13	N.A	97.74%
22	Hathway Mysore Cable Network Pvt. Ltd.	-	0.69	(4.79)	7.01	7.01	0.00	4.88	(4.40)	0.05	(4.45)	N.A	75.70%
23	Hathway Prime Cable & Datacom Pvt. Ltd.	-	0.45	(0.74)	0.78	0.78	-	0.00	0.03	0.02	0.01	N.A	51.00%
24	Hathway Gwalior Cable & Datacom Pvt. Ltd.	-	0.01	(0.64)	0.10	0.10	-	0.04	0.04	-	0.04	N.A	100.00%



Sl. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
25	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd.	-	0.02	(1.61)	2.08	2.08	-	1.70	(1.08)	-	(1.08)	N.A	51.00%
26	Hathway Enjoy Cable Network Pvt. Ltd.	-	0.01	(0.00)	0.03	0.03	-	-	(0.00)	-	(0.00)	N.A	100.00%
27	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.	-	0.01	(0.01)	0.01	0.01	-	-	(0.00)	-	(0.00)	N.A	100.00%
28	Hathway Kokan Crystal Cable Network Pvt. Ltd.	-	0.05	3.08	4.74	4.74	-	2.67	(0.33)	(0.04)	(0.28)	N.A	90.00%
29	Hathway Latur MCN Cable & Datacom Pvt. Ltd.	1	0.10	(0.52)	2.16	2.16	0.00	2.33	0.34	0.15	0.19	N.A	51.00%
30	Hathway MCN Pvt. Ltd.	1	1.81	9.11	15.94	15.94	0.41	17.51	3.04	-	3.04	N.A	51.00%
31	Hathway Sonali OM Crystal Cable Pvt Ltd	1	0.10	(2.72)	19.69	19.69	-	32.51	(4.65)	0.02	(4.67)	N.A	51.00%
32	Hathway ICE Television Pvt Ltd		0.20	(0.79)	1.06	1.06	-	0.05	(0.37)	-	(0.37)	N.A	51.00%
33	Hathway Datacom Central Pvt. Ltd. (f.k.a. Hathway Bhaskar Multinet Pvt. Ltd.)	4	1.51	8.91	58.79	58.79	10.91	34.39	(30.52)	(0.16)	(30.36)	N.A	100.00%
34	Hathway Rajesh Multichannel Pvt. Ltd.	1	0.28	1.12	16.35	16.35	0.01	15.28	(1.14)	(0.54)	(0.60)	N.A	51.00%
35	Net 9 Online Hathway Pvt Ltd	6	0.01	0.86	1.93	1.93	-	5.03	0.25	0.05	0.21	N.A	50.00%
36	Hathway New Concept Cable & Datacom Pvt. Ltd.	-	0.05	3.06	15.26	15.26	0.01	5.84	(3.22)	-	(3.22)	N.A	51.00%

Sl. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
37	Hathway Sai Star Cable & Datacom Pvt. Ltd.	1	0.14	46.51	62.45	62.45	-	12.17	(5.59)	0.35	(5.95)	N.A	51.00%
38	Hathway Cable MCN Nanded Pvt. Ltd.	5	3.36	(2.56)	3.28	3.28	-	2.62	0.23	0.05	0.18	N.A	45.05%
39	Hathway Palampur Cable Network Pvt. Ltd.	-	0.03	1.12	1.87	1.87	-	1.23	0.06	0.01	0.05	N.A	51.00%
40	Hathway Mantra Cable & Datacom Pvt. Ltd.	-	0.01	(2.53)	8.00	8.00	-	14.99	(1.08)	-	(1.08)	N.A	98.00%
41	Hathway Dattatray Cable Network Pvt. Ltd.	1	0.04	1.99	9.38	9.38	-	4.20	(1.98)	(0.14)	(1.84)	N.A	51.00%
42	Hathway Bhaskar CBN Multinet Pvt. Ltd. (f.k.a. Chattisgarh Broadband Network Pvt. Ltd.)	2	0.05	2.42	6.04	6.04	-	5.41	0.63	0.23	0.39	N.A	51.00%
43	Hathway Bhaskar CCN Multinet Pvt. Ltd. (f.k.a. Hathway Bhaskar Pagaria Multinet Pvt. Ltd.)	2	0.48	3.42	12.18	12.18	-	6.66	3.08	-	3.08	N.A	51.00%
44	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd. (f.k.a. CCN Entertainment (India) Pvt. Ltd.)	2	0.50	1.86	6.31	6.31	-	5.09	0.73	-	0.73	N.A	51.00%
45	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.	1 & 2	0.01	0.18	2.37	2.37	-	1.66	0.44	0.12	0.32	N.A	70.00%

Sl. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
46	Hathway Bhawani Cabletel & Datacom Ltd.	4	8.10	(9.99)	13.60	13.60	0.48	16.36	(3.13)	(0.12)	(3.01)	N.A	51.60%
47	Hathway Bhawani NDS Network Pvt. Ltd.	7	1.55	(1.37)	0.77	0.77	0.02	1.06	(0.25)	-	(0.25)	N.A	26.01%
48	Hathway SS Cable & Datacom LLP	-	2.25	(0.38)	3.36	3.36	-	0.99	(0.38)	-	(0.38)	N.A	51.00%
49	Hathway Broadband Pvt. Ltd.	-	2.50	0.01	2.52	2.52	-	0.07	0.02	0.01	0.01	N.A	100.00%
50	GTPL Hathway Pvt. Ltd.	6 & 9	2.00	320.95	883.72	560.77	127.35	577.33	48.55	20.54	28.01	N.A	50.00%
51	GTPL Anjali Cable Network Pvt. Ltd.	3 & 9	0.02	2.57	3.19	0.60	-	1.99	(0.09)	(0.11)	0.01	N.A	25.50%
52	GTPL Solanki Cable Network Pvt. Ltd.	3 & 9	0.07	0.27	1.27	0.93	0.00	1.67	(0.02)	0.01	(0.04)	N.A	25.50%
53	GTPL Zigma Vision Pvt. Ltd.	3 & 9	0.03	0.18	0.85	0.64	0.00	1.14	0.05	0.00	0.05	N.A	45.10%
54	GTPL SK Network Pvt. Ltd.	3 & 9	0.02	1.16	2.51	1.34	0.00	2.40	(0.12)	(0.15)	0.03	N.A	25.50%
55	GTPL Video Badshah Pvt. Ltd.	3 & 9	0.01	2.39	3.71	1.31	0.13	2.34	0.52	0.18	0.34	N.A	25.50%
56	GTPL Kutch Network Pvt. Ltd.	3 & 9	0.31	0.01	1.32	1.00	0.00	1.18	(0.08)	(0.04)	(0.04)	N.A	49.21%
57	GTPL City Channel Pvt. Ltd.	3 & 9	0.01	(0.01)	0.01	0.01	-	-	(0.00)	-	(0.00)	N.A	25.50%
58	GTPL SMC Network Pvt. Ltd.	3 & 9	0.01	0.31	0.50	0.18	0.00	0.85	0.09	0.03	0.06	N.A	25.50%
59	GTPL Surat Telelink Pvt. Ltd.	3 & 9	0.01	0.14	5.72	5.58	-	0.18	(0.23)	(0.00)	(0.23)	N.A	25.50%
60	GTPL Vidarbha Telelink Pvt. Ltd.	3 & 9	0.02	(3.21)	4.13	7.32	-	4.22	(0.20)	(0.06)	(0.14)	N.A	25.61%
61	GTPL Space City Pvt. Ltd.	3 & 9	0.02	1.91	2.45	0.52	-	0.43	(0.02)	0.01	(0.04)	N.A	25.50%

Sl. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
62	GTPL Vision Services Pvt. Ltd.	3 & 9	0.20	21.24	33.75	12.31	-	20.57	1.12	0.33	0.78	N.A	31.75%
63	GTPL Jai Mataji Network Pvt. Ltd.	3, 6 & 9	0.02	1.32	5.15	3.81	-	0.70	0.04	(0.04)	0.08	N.A	25.00%
64	GTPL Narmada Cyberzone Pvt. Ltd.	3 & 9	1.13	1.01	3.13	0.98	-	4.40	(0.05)	(0.04)	(0.01)	N.A	30.00%
65	GTPL Shivshakti Network Pvt. Ltd.	3 & 9	0.01	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	N.A	25.50%
66	GTPL Link Network Pvt. Ltd.	3 & 9	0.20	3.19	3.79	0.40	-	2.64	(0.18)	0.00	(0.18)	N.A	25.50%
67	GTPL VVC Network Pvt. Ltd.	3 & 9	0.20	1.14	2.32	0.98	-	1.37	(0.31)	(0.16)	(0.15)	N.A	25.50%
68	GTPL Blue Bell Network Pvt. Ltd.	3 & 9	0.01	(1.17)	0.73	1.89	-	-	(0.02)	-	(0.04)	N.A	46.00%
69	GTPL Parshwa Cable Network Pvt. Ltd.	3 & 9	0.01	0.66	2.45	1.78	0.54	0.88	0.08	(0.08)	0.16	N.A	28.66%
70	GTPL Insight Channel Network Pvt. Ltd.	3 & 9	0.04	0.91	1.27	0.32	-	0.91	0.07	0.02	0.05	N.A	37.23%
71	GTPL Kolkata Cable & Broadband Pariseva Limited	3 & 9	8.33	24.73	146.41	113.36	0.03	119.10	16.49	6.39	9.44	N.A	25.50%
72	GTPL Dahod Television Network Pvt. Ltd.	3 & 9	0.02	0.92	1.55	0.61	-	1.25	0.11	0.05	0.06	N.A	25.50%
73	GTPL Jay Santoshima Network Pvt. Ltd.	3 & 9	0.10	2.17	2.74	0.47	-	1.58	0.05	(0.08)	0.13	N.A	25.50%
74	GTPL Sorath Telelink Pvt. Ltd.	3 & 9	0.10	1.76	2.89	1.03	0.00	1.18	0.03	(0.04)	0.07	N.A	25.50%
75	Gujarat Telelink East Africa Ltd	3 & 9	0.01	(0.00)	0.42	0.41	-	-	(0.00)	-	(0.00)	N.A	25.50%
76	GTPL Shiv Network Pvt. Ltd.	3 & 9	0.02	0.31	0.44	0.11	-	0.22	0.02	0.01	0.01	N.A	25.50%

Sl. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
77	GTPL DCPL Pvt. Ltd.	3 & 9	16.26	(0.47)	25.27	9.48	-	0.28	(0.27)	(0.01)	(0.27)	N.A	25.50%
78	GTPL BANSIDHAR TELELINK Pvt. Ltd.	3 & 9	0.02	0.09	0.36	0.25	-	0.92	0.04	-	0.04	N.A	25.50%
79	GTPL Sharda Cable Network Pvt. Ltd.	3 & 9	0.01	(0.14)	0.18	0.31	-	0.16	(0.05)	0.00	(0.05)	N.A	25.50%
80	GTPL Ahmedabad Cable Network Pvt. Ltd.	3 & 9	0.02	1.16	1.93	0.76	-	1.47	(0.09)	(0.01)	(0.08)	N.A	25.50%
81	DL GTPL Cabnet Pvt. Ltd.	3, 6 & 9	0.12	7.58	28.34	20.63	0.26	27.49	0.10	0.18	(0.09)	N.A	13.00%
82	GTPL V & S Cable Pvt. Ltd.	3 & 9	0.55	(3.10)	3.74	6.29	-	5.83	(1.22)	0.02	(1.24)	N.A	25.50%
83	GTPL Video Vision Pvt. Ltd.	3 & 9	0.01	0.11	1.09	0.97	-	2.24	0.12	0.01	0.11	N.A	25.50%
84	VAJI COMMUNICATION PVT LTD	3 & 9	4.90	(5.62)	11.46	12.19	-	2.46	(5.62)	-	(5.62)	N.A	25.50%
85	GTPL KCBPL Broadband Pvt. Ltd.	3, 8 & 9	0.03	(0.03)	0.00	0.00	-	-	(0.03)	-	(0.03)	N.A	26.42%

**Notes:**

- 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, 2015.
- Held through subsidiary Hathway Datacom Central Pvt. Ltd. [FKA Hathway Bhaskar Multinet Pvt. Ltd.]
- Held through subsidiary GTPL Hathway Pvt. Ltd. [FKA 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.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.
- Held through subsidiary GTPL Koltata Cable & Broadband Pariseva Limited.
- In respect of consolidated entities, financial results from January 1, 2014 to March 31, 2015 have been considered.

## AOC - I

## Part - B:

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

Sr. No	Name of Associates/Joint Ventures	Pan Cables Services Pvt. Ltd.	Hathway VCN Cablenet Pvt. Ltd.	Hathway Sukhamrit Cable and Datacom Pvt. Ltd.
1	Latest Audited Balance Sheet	31 March 2015	31 March 2015	31 March 2014
2	Shares of Associate/Joint Ventures held by the Company on the year end			
	No.	10	12520	71175
	Amount of Investment in Associates/Joint Venture			
	Extend of Holding %	33.33%	25.03%	49%
3	Description of how there is significant influence	The Company has power to participate in the Operations and Financial activities of the Company	The Company has power to participate in the Operations and Financial activities of the Company	The Company has power to participate in the Operations and Financial activities of the Company
4	Reason why the Associate/Joint Venture is not Consolidated	NA	NA	NA
5	Networth attributable to Shareholding as per latest audited Balance sheet	-0.62	-8.10	7.10
6	Profit/Loss for the year			
	(i) Considered in Consolidation	0.00	0.00	0.00
	(ii) Not Considered in Consolidation	-	-	-

For and on behalf of the Board

**GANAPATHY SUBRAMANIAM**  
Chief Financial Officer

**JAGDISHKUMAR G PILLAI**  
DIN : 00036481  
Managing Director & C.E.O

**AJAY SINGH**  
FCS - 5189  
Company Secretary & Compliance Officer

**VINAYAK AGGARWAL**  
DIN : 00007280  
Director

Mumbai

Dated: May 29, 2015

Mumbai

Dated: May 29, 2015



**ANNEXURE II****DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014**

Median Remuneration: ₹ 4,65,000/- per annum.

Director: Remuneration paid to Managing Director & CEO: ₹ 1,93,47,610/- per annum.

The percentage increase in the median remuneration of employees in the financial year 2014-15: 2%

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

Sr. No.	Name of the Director*/ KMP & their Designation	Remuneration of Director/ KMP for financial year 2014-15 (Amount in ₹)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the Directors/KMP against the performance of the Company
1	Mr. Jagdishkumar G. Pillai, Managing Director & CEO	1,93,47,610	7	41.61	The standalone turnover of the Company has increased from ₹ 987.80 Crores to ₹ 1,037.40 Crores and the consolidated turnover of the Company has increased from ₹ 1,593.41 Crores to ₹ 1,858.74 at end of the financial year ended 31st March, 2015. Further the members of the Company had approved remuneration of Mr. Jagdishkumar G. Pillai through postal ballot on 25th February 2013. Since, Mr. Jagdishkumar G. Pillai is performing functions in dual capacity of Managing Director and Chief Executive Officer the increment of 7% in his remuneration in view of performance of the Company is justified.
2	Mr. G. Subramaniam, Chief Financial Officer	1,06,07,816	0	22.81	
3	Mr. Ajay Singh, Company Secretary & Compliance Officer	27,32,400	0	5.88	

\* Note 1: Remuneration paid only to Managing Director & CEO & not to other directors.

Note 2: The key parameters for component of remuneration availed by the directors are (i) Fixed Components: Basic Salary, Contribution to Provident Fund & Allowances (ii) Variable components: Performance incentives & Long term incentives

There were 542 permanent employees on the rolls of the Company.

Variations in the market capitalization of the Company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:

	As on 31st March, 2015 (Current F.Y.)	As on 31st March, 2014 (Previous F.Y.)
Market Capitalisation	₹ 4,069.42 Crores	₹ 3,683.69 Crores
Price Earnings Ratio	Not Applicable	Not Applicable

	As on 31st March, 2015 (Current F.Y.)					As on 31st March, 2014 (Previous F.Y.)				
	As on	Market Value (₹)	Face Value (₹)	% increase	Year on Year % increase	As on	Market Value (₹)	Face Value (₹)	% increase	Year on Year % increase
Percentage increase over decrease in the market quotations of the shares of the Company as compared with last public offer rate	31.03.2015	49.00	2.00	2.08	1.10	31.03.2014	242.35	10.00	0.98	-11.06
Rate at which the Company came out with the last public offer	₹ 240/- [on 19.02.2010 & Face Value ₹ 10]					₹ 240/- [on 19.02.2010 & Face Value ₹ 10]				

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year: Nil

Percentile increase in the managerial remuneration: 7% (through postal ballot on 25th February 2013 keeping in view the functions performed in dual capacity of Managing Director and Chief Executive Officer)

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Highest paid Director		Employees other than directors receiving remuneration in excess of the highest paid Director	Ratio of remuneration
Name of Director	Remuneration received	Name of Employee	Remuneration received
Not Applicable	-	-	-

The Company hereby affirms that the remuneration is as per the remuneration policy of the Company.

**STATEMENT PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

A. List of employees of the Company employed throughout the financial year 2014-15 and were paid remuneration not less than ₹ 60 Lakhs per annum:

Sr. No.	Name	Designation	Date of Joining	Remuneration	Age (years)	Experience (Years)	Qualification	Last employment and designation held
1	Jagdishkumar G. Pillai <sup>1</sup>	Managing Director & CEO	21/12/2012	19,347,610	53	27	B.com, CA	Reliance Industries Limited, President - Media & Entertainment
2	Ganapathy Subramaniam	Chief Financial Officer	04/12/2010	10,607,816	57	32	ACA, Grad CWA	Mumbai International Airports Pvt. Ltd. Director-Finance

Sr. No.	Name	Designation	Date of Joining	Remuneration	Age (years)	Experience (Years)	Qualification	Last employment and designation held
3	Milind Karnik	President - CATV Strategy and Business Development	01/12/1998	9,882,348	53	30	B.Com, ACA, AICWA, ACS, BGL	Caspian Broking and Research India Pvt. Ltd. CFO and Company Secretary
4	Kunal Ramteke	CATV Business Head of Karnataka	01/03/2013	7,012,182	45	20	B.E., IIM(KOL)-Marketing, Finance	Reliance Communication Ltd. Senior Head Vice President
5	Jagadesh BabuBotta	Executive Vice President	17/04/2013	7,039,600	48	23	B.Com, MBA (Finance)	Ignite Digital. Chief Financial Officer
6	Ruzbeh Jaorewalla	Executive Vice President - Technical	01/03/2013	8,039,600	49	28	Diploma in Electronics & Tele-communication Engineering	Business India Television Pvt Ltd Technical Consultant
7	Shirish Ruparel	Executive Vice President	16/11/2004	10,082,400	38	20	B.com, ACA	CG CoreEL Logic Systems Ltd. Senior Executive
8	Sudhir Sarin	Head Operations-North and Central	02/09/2013	8,114,600	48	23	BA	Turner International Senior Director - Distribution
9	Dulal Banerjee	Executive Vice President	01/11/1999	6,996,233	44	21	ICWA	Indusind Media & Communication Senior Executive

**Notes:**

- The contractual terms of Mr. Jagdishkumar G. Pillai are governed by the resolution passed by the shareholders through postal ballot on 25th February, 2013.
- None of the employees mentioned above are related to any of the Directors of the Company within the meaning of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- None of the employees mentioned above hold more than 2% of the shares of your Company, along with their spouse and dependent children.
- All appointments are contractual and terminable by notice on either side.
- Remuneration includes salary, bonus, commission, various allowance, contribution to provident fund and superannuation fund and taxable value of perquisites but excluding provision for gratuity and leave encashment.

B. Employees employed for the part of the year and were paid remuneration during the financial year 2014-15 at a rate which in aggregate was not less than ₹ 5 Lakhs per month:

Sr. No.	Name	Designation	Date of Joining	Remuneration	Age (years)	Experi-ence (Years)	Qualification	Last employment and designation held
1	Jayant Changrani <sup>5</sup>	President -Technology & Commercial	01/03/2013	11,982,500	50	25	BE in Electronics	NDS Limited, Country Head - Operations
2	Vishal Chauhan <sup>5</sup>	Head Operations-North	14/01/2013	1,515,699	42	20	Qualified Engineer, Specialisation in Marketing	ESPN Software India Pvt. Ltd. Head North & West Operations
3	K. V. Anand <sup>5</sup>	President-Digital Platforms	08/04/2013	9,433,250	49	20	M.Com, Grad CWA	Tata Sky, Chief Service Officer
4	Sumit Bose <sup>5</sup>	Executive Vice-President (Business Development & Corporate Strategy)	01/09/2013	3,723,125	49	23	B.Com (Hons)	GTPL- Hathway Private Limited, President
5	Vineet Garg <sup>6</sup>	Deputy Chief Financial Officer	15/06/2014	7,199,238	45	20	B.Com, CA	Reliance Communication Ltd. Vice President
6	Rajen Gupta <sup>6</sup>	President-Broadband Business	01/07/2014	15,379,700	40	16	MBA, B.tech - Civil Engineering	Tata Teleservices Ltd. Chief Operating Officer
7	Tavinderjit Singh Panesar <sup>6</sup>	President	08/12/2014	4,046,138	49	17	B.Com	Star India Pvt Ltd.
8	S. Naga Kishore <sup>6</sup>	Chief Technology Officer	24/01/2015	2,612,401	45	24	MBA	Tata Teleservices Ltd. Vice President
9	Rajesh Bhaskaran <sup>6</sup>	Vice President	02/02/2015	1,826,218	45	21	MBA, BE	Tata Teleservices Ltd. General Manager

- None of the employees mentioned above are related to any of the Directors of the Company within the meaning of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- None of the employees mentioned above hold more than 2% of the shares of your Company, along with their spouse and dependent children.
- All appointments are contractual and terminable by notice on either side.
- Remuneration includes salary, bonus, commission, various allowance, contribution to provident fund and superannuation fund and taxable value of perquisites but excluding provision for gratuity and leave encashment.
- Ceased to be an employee during the year.
- Appointed as an employee during the year.

**For and on behalf of the Board**

**Jagdishkumar G. Pillai**  
Managing Director & CEO  
DIN 00036481

**Vinayak Aggarwal**  
Director  
DIN00007280

**Registered Office**  
Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054

Date: 29/05/2015  
Place: Mumbai

CIN: L64204MH1959PLC011421  
Tel No. 022-26001306 Fax No. 022-26001307  
Email:info@hathway.net, website: www.hathway.com

## ANNEXURE- III

## SECRETARIAL AUDIT REPORT ("SAR")

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

## FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

To  
The Board of Directors  
**HATHWAY CABLE AND DATACOM LIMITED**  
Mumbai

Dear Sirs,

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

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2015, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to there porting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Hathway Cable and Datacom Limited ("the Company") as given in Annexure I, for the financial year ended on 31st March, 2015, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - ii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and
    - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
  - v. The Securities and Exchange Board of India (Registrars to issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

3. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings were not attracted to the Company under the financial year under report.
4. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure II.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 1956; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s);

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the year under report, the Company has undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- (i) Sub-division of face value of Equity Shares into Equity Shares of smaller amounts than was fixed in the Memorandum of Association; i.e. to subdivide 1 (One) equity share of ₹ 10/- each to 5 (Five) equity shares of ₹ 2/- each.
- (ii) Increase in Foreign Investment Limit in the Company up to 74% of the Issued and Paid-up share capital.

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**HIMANSHU S. KAMDAR**  
PARTNER

FCS No. 5171  
C.P. No.3030

Place : Mumbai  
Date: 29th May, 2015



## ANNEXURE - I TO SAR

**List of documents verified**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2014.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Share Transfer Committee, Stakeholders' Relationship Committee and CSR Committee alongwith Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Circular Resolutions passed by the Company during the year.
6. Policies on:
  - Related Parties Transactions
  - Material Subsidiaries
  - Vigil Mechanism
  - Corporate Social Responsibility
  - Annual Evaluation
  - Risk Management
  - Nomination & Remuneration
  - Code of Conduct for Independent Directors
  - Code of internal procedures and conduct for prevention of insider trading and
  - Internal Financial Controls
7. Statutory Registers viz.
  - Register of Charges
  - Register of Directors & KMP
  - Register of Directors' Shareholding
  - Register of Employee Stock Options
  - Register of Contracts with Related Parties and
  - Register of loans, guarantees and security and acquisition made by the Company
8. Agenda papers submitted to all the directors/members for the Board Meetings and Committee Meetings.
9. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
10. Declarations received from the Independent Directors of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013.
11. Intimations received from Directors under the prohibition of Insider Trading Code.
12. E-forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
13. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.
14. Documents filed with the SEBI pursuant to the provisions of ICDR Regulations, 2011 during the financial year under report.
15. Filings made with Reserve Bank of India under the Foreign Direct Investment Guidelines and for the allotments of Equity Shares made by the Company.
16. Documents related to issue of shares under ESOP Scheme filed with Stock Exchanges and Listing approvals received thereon.
17. Documents related to postal ballots conducted by the Company during the year under review including the Scrutinizer's Reports.

## ANNEXURE - II TO SAR

### List of applicable laws to the Company

1. Income Tax Act, 1961
2. Employee Provident Funds and Miscellaneous Provisions Act, 1952
3. Employee State Insurance Act, 1948
4. Contract Labour (Regulation and Abolition Act), 1970
5. Value Added Tax Act (State-wise)
6. Finance Act, 1994
7. Entertainment Tax Act (State-wise)
8. Shop and Establishment Act, 1954 (State-wise)
9. Minimum Wages Act, 1948
10. Telecom Regulatory Authority of India Act, 1997
11. Cable Television Networks (Regulation) Act, 1995, Cable Television Network (Regulation) Rules, 1994 and Content Certification Rules, 2008
12. Information Technology Act, 2000
13. Indecent Representation of Women (Prohibition) Act, 1986
14. Labour Laws Act, 1988
15. The Payment of Gratuity Act, 1972
16. Indian Telegraph Act, 1885 and The Indian Wireless Telegraph Rules, 1973
17. Workman Compensation Act, 1923
18. Bombay Stamp Act, 2014
19. Central Sales Tax Act, 1956
20. Central Excise Act, 1944
21. The Cinematography Act, 1952
22. Child Labour (Prohibition and Regulation) Act, 1986
23. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
24. Equal Remuneration Act, 1976
25. Industrial Disputes Act, 1947
26. Industrial Employment (Standing Orders) Act, 1946 (State-wise)
27. Maternity Benefit Act, 1961
28. Payment of Bonus Act, 1965
29. Payment of Wages Act, 1936
30. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
31. Arms Act, 1959
32. Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution Act, 2003 (COTPA)

33. Motor Vehicles Act, 1988
34. Tax on Professions, Trades, Callings and Employments Act, 1979 (State-wise)
35. Tax on Entry of Goods into Local Areas Act, 2000 (State-wise)
36. Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976
37. Madhya Pradesh Vritti Kar Adhiniyam, 1995
38. Karnataka Panchayat Raj Act, 1993
39. Gujarat Panchayats, Municipalities, Municipal Corporations and State Tax on Professions, Traders, Callings and Employments Act, 1976
40. Gujarat Tax on Entry of Specified Goods into Local Areas Act, 2001
41. Chhattisgarh Vritti Kar Adhiniyam, 1995
42. Chhattisgarh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976
43. Selection, Installation And Maintenance Of First-Aid Fire Extinguishers - Code Of Practice (Fourth Revision)
44. West Bengal Workmen's House-Rent Allowance Act, 1974
45. Labour Welfare Fund Act, 1974 (State-wise)
46. Industrial Establishments (National and Festival Holidays) Act, 1963 (State-wise)
47. Madhya Pradesh ShramKalyanNidhiAdhiniyam, 1982
48. Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act, 1981
49. Maharashtra Workmen's House-Rent Allowance Act, 1983
50. Goa Children's Act 2003
51. Employee's Compensation Act, 1923
52. U.P Industrial establishment (National holidays) Act, 1961
53. Orissa Entry Tax Act, 1999

## ANNEXURE IV

### EXTRACT OF ANNUAL RETURN

As on financial year ended 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

<b>CIN</b>	:	L64204MH1959PLC011421
<b>Registration Date</b>	:	07th August, 1959
<b>Name of the Company</b>	:	Hathway Cable & Datacom Limited
<b>Category / Sub-Category of the Company</b>	:	Public Limited Company
<b>Address of the Registered office and contact details</b>	:	Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai 400054 Contact No.: 022-26001306 Fax No.: 022-26001307
<b>Whether listed company</b>	:	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any:</b>	:	Link Intime India Private Ltd C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 Tel : 022-25963838 Fax : 022-25946969

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Cable TV Service	Division 61- 61103 and	₹ 841.44 Crores (81.11%)
2	Broadband Service	61104 (NIC Code of 2008).	₹ 195.96 Crores (18.89%)

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
1	Channels India Network Pvt. Ltd. 103, 5th Floor, New Awadi, Road, Kilpauk, Chennai-600010	U74999TN1995PTC030929	Subsidiary	95.63%	2(87)(ii)
2	Vision India Network Pvt. Ltd. 8, Vinayak Complex, 2nd Floor, Dinnur Main Road, R. T. Nagar, Banagalore - 560032.	U64204KA1996PTC020258	Subsidiary	100.00%	2(87)(ii)
3	Liberty Media Vision Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U64100MH1996PTC100667	Subsidiary	100.00%	2(87)(ii)
4	Ideal Cables Pvt. Ltd. 3rd Floor, Sterling Plaza, 1206/B-19 Jangli Maharaj Road, Above UTI Bank, Pune - 411004.	U74999MH1996PTC100746	Subsidiary	100.00%	2(87)(ii)
5	Hathway Channel 5 Cable & Datacom Pvt. Ltd. AB-6, Safdarjung Enclave, New Delhi - 110 029	U64204DL1996PTC083083	Subsidiary	51.00%	2(87)(ii)
6	Bee Network & Communication Pvt. Ltd. 3-6-290/21, 2nd Floor, Sadhana Building, Hyderguda, Hyderabad	U64200AP1996PTC023212	Subsidiary	100.00%	2(87)(ii)
7	Elite Cables Network Pvt. Ltd. 103, 5th Floor, New Awadi, Road, Kilpauk, Chennai 600010	U74300TN1995PTC032771	Subsidiary	80.00%	2(87)(ii)
8	Binary Technology Transfers Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U74140MH1987PTC045344	Subsidiary	100.00%	2(87)(ii)
9	Hathway Media Vision Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (West), Mumbai 400054	U64204MH1995PTC086909	Subsidiary	100.00%	2(87)(ii)
10	UTN Cable Communication Pvt. Ltd. 288, Chinappa Layout, Kullappa Circle, Kammanahali, Bengaluru 560 084	U92132KA1998PTC024132	Subsidiary	96.27%	2(87)(ii)
11	ITV Interactive Media Pvt. Ltd Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U45200MH1991PTC064230	Subsidiary	100.00%	2(87)(ii)
12	Chennai Cable Vision Network Pvt. Ltd. 1, Ramaswamy Naicken Street, T. T. K. Road, Avertpet, Chennai - 600018	U64204TN1999PTC042488	Subsidiary	75.99%	2(87)(ii)
13	Hathway Universal Cabletel & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U70100MH1991PTC064234	Subsidiary	100.00%	2(87)(ii)
14	Win Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U64200MH1999PTC120865	Subsidiary	100.00%	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
15	Hathway Space Vision Cabletel Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U64200MH1998PTC128169	Subsidiary	100.00%	2(87)(ii)
16	Hathway Software Developers Pvt.Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U72200MH1994PTC078279	Subsidiary	71.85%	2(87)(ii)
17	Hathway Nashik Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U64200MH1999PTC122539	Subsidiary	90.06%	2(87)(ii)
18	Hathway Cnet Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U99999MH1999PTC123302	Subsidiary	100.00%	2(87)(ii)
19	Hathway United Cables Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U31300MH2000PTC129833	Subsidiary	100.00%	2(87)(ii)
20	Hathway Internet Satellite Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U64200MH1999PTC123303	Subsidiary	100.00%	2(87)(ii)
21	Hathway Krishna Cable Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U92132MH2001PTC130548	Subsidiary	97.74%	2(87)(ii)
22	Hathway Mysore Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U31300MH2000PTC129831	Subsidiary	75.70%	2(87)(ii)
23	Hathway Prime Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U31300MH2000PTC129830	Subsidiary	51.00%	2(87)(ii)
24	Hathway Gwalior Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U64204MH2007PTC170939	Subsidiary	100.00%	2(87)(ii)
25	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U72200MH2008PTC177805	Subsidiary	51.00%	2(87)(ii)
26	Hathway Enjoy Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U32305MH2007PTC171401	Subsidiary	100.00%	2(87)(ii)



Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
27	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U64204MH2007PTC171161	Subsidiary	100.00%	2(87)(ii)
28	Hathway Kokan Crystal Cable Network Pvt. Ltd. Shraddha Saburi, Ground Floor, P M Road, Behind Meghdoot Building, Vile Parle East, Mumbai – 400057	U64203MH2008PTC182256	Subsidiary	90.00%	2(87)(ii)
29	Hathway Latur MCN Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U92100MH2008PTC177328	Subsidiary	51.00%	2(87)(ii)
30	Hathway MCN Pvt. Ltd. 310/311, Akshaydeep Plazatown Centre, CIDCO Jalna Road, Aurangabad, Maharashtra – 431005	U92130MH2005PTC152694	Subsidiary	51.00%	2(87)(ii)
31	Hathway Sonali OM Crystal Cable Pvt Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U72900MH2000PTC129836	Subsidiary	51.00%	2(87)(ii)
32	Hathway ICE Television Pvt Ltd D-59/149, Shivpurva, Sigra, Varanasi – 221010	U64203UP2007PTC032933	Subsidiary	51.00%	2(87)(ii)
33	Hathway Datacom Central Pvt. Ltd. (f.k.a. Hathway Bhaskar Multinet Pvt. Ltd.) Jyoti Cinplex, 2nd Floor, M.P. Nagar, Zone-1, Bhopal, Madhya Pradesh-462011	U92130MP2007PTC019845	Subsidiary	100.00%	2(87)(ii)
34	Hathway Rajesh Multichannel Pvt. Ltd. 41/2, Parvati Sadan, Tilak Road, Ghatkopar (East), Mumbai – 400077	U92132MH2000PTC125882	Subsidiary	51.00%	2(87)(ii)
35	Net 9 Online Hathway Pvt Ltd 2 Prithvi Emperor, New Prabhadevi Road, Prabhadevi Mumbai 400025	U64202MH2004PTC149657	Subsidiary	50.00%	2(87)(ii)
36	Hathway New Concept Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U72900MH2000PTC129837	Subsidiary	51.00%	2(87)(ii)
37	Hathway Sai Star Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U72900MH2008PTC184787	Subsidiary	51.00%	2(87)(ii)
38	Hathway Cable MCN Nanded Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U92130MH2008PTC179952	Subsidiary	45.05%	2(87)(ii)
39	Hathway Palampur Cable Network Pvt. Ltd. 1, Lohana, Palampur, Himachal Pradesh	U92190HP2008PTC030849	Subsidiary	51.00%	2(87)(ii)

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Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
40	Hathway Mantra Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U64204MH2007PTC173624	Subsidiary	98.00%	2(87)(ii)
41	Hathway Dattatray Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U74900MH2009PTC192366	Subsidiary	51.00%	2(87)(ii)
42	Hathway Bhaskar CBN Multinet Pvt. Ltd. (f.k.a. Chattisgarh Broadband Network Pvt. Ltd.) Plot No 5, Block 1, Akashganga Complex, Supela, Bhillai, Chattisgarh	U72900CT2006PTC018352	Subsidiary	51.00%	2(87)(ii)
43	Hathway Bhaskar CCN Multinet Pvt. Ltd. (f.k.a. Hathway Bhaskar Pagaria Multinet Pvt. Ltd.) Pagariya Complex, Mini Mata Parisar, Near Pandri Bus Station, Pandri, Raipur, Chhattisgarh 492003	U64200CT2007PTC020440	Subsidiary	51.00%	2(87)(ii)
44	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd. (f.k.a. CCN Entertainment (India) Pvt. Ltd.) Ware House Road, Bilaspur, (C.G.) 495001	U74999CT2008PTC020658	Subsidiary	51.00%	2(87)(ii)
45	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd. BTV, Dainik Bhaskar Building, 2nd Floor, 4/54, Press Complex, A.B. road, Indore - 452 003	U92130MP2011PTC026839	Subsidiary	70.00%	2(87)(ii)
46	Hathway Bhawani Cabletel & Datacom Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	L65910MH1984PLC034514	Subsidiary	51.60%	2(87)(ii)
47	Hathway Bhawani NDS Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U74990MH2010PTC208960	Subsidiary	26.01%	2(87)(ii)
48	Hathway SS Cable & Datacom LLP Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	AAB-0552	Subsidiary	51.00%	2(87)(ii)
49	Hathway Broadband Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U74999MH2014PTC257407	Subsidiary	100.00%	2(87)(ii)
50	Hathway Sukhamrit Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U92130MH2004PTC144245	Associate Company	49.00%	2(6)
51	Hathway VCN Cablenet Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai 400054	U92190MH1999PTC117912	Associate Company	25.03%	2(6)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
52	Pan Cable Services Pvt. Ltd. 104, Mansi Complex, Premchand Nagar, Satellite Road, Ahmedabad - 380015	U31300GJ1995PTC025831	Associate Company	33.33%	2(6)
53	GTPL Hathway Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2006PTC048908	Subsidiary	50.00%	2(87)(i)
54	GTPL Anjali Cable Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2008PTC054633	Subsidiary	25.50%	2(87)(ii)
55	GTPL Solanki Cable Network Pvt. Ltd. C/O AMRUTBHAI PATEL OPP BANK OF INDIA PIPLD GAM SURAT-395001	U92199GJ2004PTC044487	Subsidiary	25.50%	2(87)(ii)
56	GTPL Zigma Vision Pvt. Ltd. B-1 PARADISE APPTS ATHWA GATE SURAT -395001	U32209GJ1991PTC016738	Subsidiary	45.10%	2(87)(ii)
57	GTPL SK Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (West), Mumbai 400054	U72900GJ2008PTC081391	Subsidiary	25.50%	2(87)(ii)
58	GTPL Video Badshah Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2008PTC054616	Subsidiary	25.50%	2(87)(ii)
59	GTPL Kutch Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2008PTC054111	Subsidiary	49.21%	2(87)(ii)
60	GTPL City Channel Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2008PTC054647	Subsidiary	25.50%	2(87)(ii)
61	GTPL SMC Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2008PTC054650	Subsidiary	25.50%	2(87)(ii)
62	GTPL Surat Telelink Pvt. Ltd. 6/288,289 SAILILA BUILDING,MANCHAPURA VIDHNESHWAR MAHADEVI SHERI, B/H AMISHA HOTELSURAT-395003	U64204GJ2008PTC052871	Subsidiary	25.50%	2(87)(ii)
63	GTPL Vidarbha Telelink Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U72900GJ2008PTC053711	Subsidiary	25.61%	2(87)(ii)
64	GTPL Space City Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2008PTC054649	Subsidiary	25.50%	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
65	GTPL Vision Services Pvt. Ltd. 402, CITY PRIDE OPP . NALANDA HOTEL, NR. MITHAKHALI SIX ROADS, AHMEDABAD 380006	U64204GJ2008PTC053271	Subsidiary	31.75%	2(87)(ii)
66	GTPL Jai Mataji Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U74900GJ2008PTC054376	Subsidiary	25.00%	2(87)(ii)
67	GTPL Narmada Cyberzone Pvt. Ltd. NANDVAN COMPLEX 3RD FLOOROPP SHANTI BAUG SEVASHRAM ROAD, BHARUCH, Gujarat 392001	U32309GJ1999PTC035618	Subsidiary	30.00%	2(87)(ii)
68	GTPL Shivshakti Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U72900GJ2008PTC054373	Subsidiary	25.50%	2(87)(ii)
69	GTPL Link Network Pvt. Ltd. JAY MAHARAJ COMPLEX, DUMRAL BAZAR, NADIAD, 387001	U72900GJ2008PTC054621	Subsidiary	25.50%	2(87)(ii)
70	GTPL VVC Network Pvt. Ltd. PATEL ELECTRONICS, OP.CHANDAN BOOK STOR, MOTA BAZAR, VALLABH VIDYANAGAR, 388120	U64204GJ2009PTC056619	Subsidiary	25.50%	2(87)(ii)
71	GTPL Blue Bell Network Pvt. Ltd. 36, CITY CENTER, 3RD FLOOR, C.G. ROAD, NAVRANGPURA, AHMEDABAD -380009	U64204GJ2010PTC059691	Subsidiary	46.00%	2(87)(ii)
72	GTPL Parshwa Cable Network Pvt. Ltd. 11, SHRIRAJ 5, SHRAMJIVI SOC., DHEBAR ROAD SOUTH, RAJKOT 360002	U64202GJ2006PTC048132	Subsidiary	28.66%	2(87)(ii)
73	GTPL Insight Channel Network Pvt. Ltd. 3rd FLOOR NARMADA COMPLEX PANCH BHATTI BHARUCH 392001	U64204GJ2002PTC041335	Subsidiary	37.23%	2(87)(ii)
74	GTPL Kolkata Cable & Broadband Pariseva Limited 86, GOLAGHATA ROAD, GANGA APPARTMENT, 3RD FLOOR FLAT -A, KOLKATA 700048	U64204WB2006PLC109517	Subsidiary	25.50%	2(87)(ii)
75	GTPL Dahod Television Network Pvt. Ltd. 36, CITY CENTER, 3RD FLOOR, C.G. ROAD, NAVRANGPURA, AHMEDABAD -380009	U64204GJ2010PTC059770	Subsidiary	25.50%	2(87)(ii)
76	GTPL Jay Santoshima Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2008PTC054615	Subsidiary	25.50%	2(87)(ii)
77	GTPL Sorath Telelink Pvt. Ltd. C/O GIRIRAJ DISTRIBUTORS, 906/907 GURUKRUPA TOWER, NR. LIMDACHOWK, MOTI TANKI CHOWK, RAJKOT, GUJARAT-360001	U64204GJ2008PTC053204	Subsidiary	25.50%	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
78	Gujarat Telelink East Africa Ltd Plot No. LR 209/976, 2nd Floor, Gillfillan House, Kenyatta Avenue, PO BOX 22840, -000400 Nairobi	CR12 C114819	Subsidiary	25.50%	2(87)(ii)
79	GTPL Shiv Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U72900GJ2008PTC054620	Subsidiary	25.50%	2(87)(ii)
80	GTPL DCPL Pvt. Ltd. 1st Floor, Shanti Niketan, House No. 1090, Holding No. 552/349, Circle No. 6, Fraser Road, Patna, Bihar 800001	U64202BR2013PTC020873	Subsidiary	25.50%	2(87)(ii)
81	GTPL BANSIDHAR TELELINK Pvt. Ltd. 36, CITY CENTRE, 3RD FLOOR, C. G. ROAD, NAVRANGPURA, AHMEDABAD, GUJARAT 380009	U64204GJ2010PTC059948	Subsidiary	25.50%	2(87)(ii)
82	GTPL Sharda Cable Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2011PTC067697	Subsidiary	25.50%	2(87)(ii)
83	GTPL Ahmedabad Cable Network Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2010PTC059946	Subsidiary	25.50%	2(87)(ii)
84	DL GTPL Cabnet Pvt. Ltd. 417 to 419, Intercity Complex, Near P.K.S. Petrol Pump, Puna Kumharia Road, Surat, Gujarat 395010	U64204GJ2009PTC056920	Associate Company	13.00%	2(87)(ii)
85	GTPL V & S Cable Pvt. Ltd. C/O - UNIVERSAL COMMUNICATIONS, SASANPARA ROAD, EAST CHOWKIDINGHEE, DIBRUGARH, ASSAM-786001	U64204AS2006PTC008237	Subsidiary	25.50%	2(87)(ii)
86	GTPL Video Vision Pvt. Ltd. 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad – 380004	U64204GJ2008PTC054651	Subsidiary	25.50%	2(87)(ii)
87	VAJI COMMUNICATION PVT LTD DOOR NO.2-30-26, SECOND FLOOR, MAIN ROAD, SECTOR-7, MVP COLONY, VISAKHAPATNAM - 530017, Andhra Pradesh	U74900AP2013PTC088313	Subsidiary	25.50%	2(87)(ii)
88	GTPL KCBPL Broadband Pvt. Ltd. 86, GOLAGHATA ROAD, GANGA APARTMENT, BLOCK- A, 3RD FLOOR, FLAT NO. 3C, KOLKATA, West Bengal 700048	U64204WB2014PTC204136	Subsidiary	26.42%	2(87)(ii)



# I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

## i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year*				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	48,193,200	0	48,193,200	31.7063	240,966,000	0	240,966,000	29.0148	-2.6915
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	24,019,003	0	24,019,003	15.8021	120,095,015	0	120,095,015	14.4607	-1.3414
e) Banks / FI									
f) Any other									
<b>Sub-total(A)(1):</b>	<b>72,212,203</b>	<b>0</b>	<b>72,212,203</b>	<b>47.5084</b>	<b>361,061,015</b>	<b>0</b>	<b>361,061,015</b>	<b>43.4754</b>	<b>-4.0330</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any other									
<b>Sub-total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>72,212,203</b>	<b>0</b>	<b>72,212,203</b>	<b>47.5084</b>	<b>361,061,015</b>	<b>0</b>	<b>361,061,015</b>	<b>43.4754</b>	<b>-4.0330</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	12,034,857	0	12,034,857	7.9177	53,144,034	0	53,144,034	6.3991	-1.5186
b) Banks / FI	872,910	0	872,910	0.5743	2,457,439	0	2,457,439	0.2959	-0.2784
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs	48,144,492	0	48,144,492	31.6742	127,596,829	0	127,596,829	15.364	-16.3103
h) Foreign Venture Capital Funds									
i) <u>Others</u>									
i) Directors/relatives	2,229,376	0	2,229,376	1.4667	-	0	-	0	-1.4667
ii) Foreign Portfolio Investor (Corporate)*	-	0	-	0	203,485,904	0	203,485,904	24.5018	24.5018
<b>Sub-total (B)(1):</b>	<b>63,281,635</b>	<b>0</b>	<b>63,281,635</b>	<b>41.6330</b>	<b>386,684,206</b>	<b>0</b>	<b>386,684,206</b>	<b>46.5607</b>	<b>4.9278</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	2,596,854	0	2,596,854	1.7085	8,080,328	0	8,080,328	0.973	-0.7355
ii) Overseas	10,731,281	0	10,731,281	7.0601	53,656,405	0	53,656,405	6.4608	-0.5993

\* Foreign Portfolio Investor (Corporate) as on 31.03.2014 were included in FIs and shown separately as on 31.03.2015

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year*				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>b) Individuals</b>										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,139,186	53	1,139,133	0.7494	4,497,893	265	4,497,628	0.5416	-0.2079	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,956,952	0	1,956,952	1.2875	1,431,766	0	1,431,766	0.1724	-1.1151	
<b>c) Others</b>										
(specify) (NRI)	57,104	0	57,104	0.0376	14,948,623	0	14,948,623	1.8	1.7624	
Clearing Member	23,685	0	23,685	0.0156	134,264	0	134,264	0.0162	0.0006	
<b>Sub-total(B)(2):</b>	<b>16,505,062</b>	<b>53</b>	<b>16,505,009</b>	<b>10.8586</b>	<b>82,749,279</b>	<b>265</b>	<b>82,749,014</b>	<b>9.9639</b>	<b>-0.8948</b>	
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>79,786,697</b>	<b>53</b>	<b>79,786,644</b>	<b>52.4916</b>	<b>469,433,485</b>	<b>265</b>	<b>469,433,220</b>	<b>56.5246</b>	<b>4.0330</b>	
<b>C. Shares held by</b>										
Custodian for										
GDRs & ADRs										
<b>Grand Total (A+B+C)</b>	<b>151,998,847</b>	<b>53</b>	<b>151,998,900</b>	<b>100.0000</b>	<b>830,494,235</b>	<b>265</b>	<b>830,494,500</b>	<b>100.0000</b>		

- After split of face value of ₹ 10 per equity share in to ₹ 2 per equity share

## ii. SHAREHOLDING OF PROMOTERS:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year*			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Akshay Rajan Raheja	24,282,600	15.98	0	12,14,13,000	14.62	0	1.36
2	Viren Rajan Raheja	23,910,600	15.73	0	11,95,53,000	14.40	0	1.33
3	Hathway Investments Pvt. Ltd.**	16,369,003	10.77	0	8,18,45,015	9.85	0	0.91
4	Spur Cable and Datacom Pvt. Ltd.**	7,650,000	5.03	0	3,82,50,000	4.60	0	0.43
	<b>Total</b>	<b>72,212,203</b>	<b>47.51</b>	<b>0</b>	<b>36,10,61,015</b>	<b>43.47</b>	<b>0</b>	<b>4.03</b>

- After split of face value of ₹ 10 per equity share in to ₹ 2 per equity share

\*\* Promoter Group Company

iii. CHANGE IN PROMOTERS' SHAREHOLDING:

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14) / end of the year (31-03-15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Akshay Rajan Raheja	2,42,82,600	15.98	1/4/2014				
				9/1/2015	9,71,30,400	Split	12,14,13,000	14.62
		12,14,13,000	14.62	31/03/2015			12,14,13,000	14.62
2	Viren Rajan Raheja	23,910,600	15.73	1/4/2014				
				9/1/2015	9,56,42,400	Split	11,95,53,000	14.40
		11,95,53,000	14.40	31/03/2015			11,95,53,000	14.40
3	Hathway Investments Pvt. Ltd.*	16,369,003	10.77	1/4/2014				
				9/1/2015	6,54,76,012	Split	8,18,45,015	9.85
		8,18,45,015	9.85	31/03/2015			8,18,45,015	9.85
4	Spur Cable and Datacom Pvt. Ltd.*	76,50,000	5.03	1/4/2014				
				9/1/2015	3,06,00,000	Split	3,82,50,000	4.60
		3,82,50,000	4.60	31/03/2015			3,82,50,000	4.60

Note: Split indicates subdivision of 1 equity shares of ₹ 10 each into 5 equity shares of ₹ 2 each.

\* Promoter Group Company

iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14)/end of the year (31-03-15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Providence Equity Advisors Mauritius Limited A/C P6 Mauritius India Holding Limited	1,41,43,552	9.31	1/4/2014				
				9/1/2015	5,65,74,208	Split	7,07,17,760	8.52
		7,07,17,760	8.52	31/3/2015			7,07,17,760	8.52
2	Macquarie Bank Limited	1,05,56,644	6.95	1/4/2014				
				10/10/2014	40,83,463	Acquisition	1,46,40,107	8.81
				17/10/2014	44,042	Acquisition	1,46,84,149	8.84
				31/10/2014	8,009	Acquisition	1,46,92,158	8.84
				7/11/2014	1,515	Acquisition	1,46,93,673	8.85
				28/11/2014	63,702	Acquisition	1,47,57,375	8.88
				5/12/2014	1,13,884	Acquisition	1,48,71,259	8.95
				19/12/2014	2,57,270	Acquisition	1,51,28,529	9.11
				9/1/2015	6,05,14,116	Split	7,56,42,645	9.11
				9/1/2015	9,69,673	Acquisition	7,66,12,318	9.22
				16/1/2015	3,19,815	Acquisition	7,69,32,133	9.26
				23/1/2015	13,00,000	Acquisition	7,82,32,133	9.42
		7,82,32,133	9.42	31/3/2015			7,82,32,133	9.42

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14)/end of the year (31-03-15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
3	Reliance capital trustee co. Ltd A/c Reliance Equity Opportunities Fund	70,02,270	4.61	1/4/2014				
				4/4/2014	-1,51,953	Sale	68,60,317	4.51
				18/4/2014	35,100	Acquisition	68,95,417	4.54
				25/4/2014	73,342	Acquisition	69,68,759	4.58
				2/5/2014	1,51,362	Acquisition	71,20,121	4.68
				9/5/2014	1,65,824	Acquisition	72,85,945	4.79
				16/5/2014	93,485	Acquisition	73,79,430	4.85
				23/5/2014	1,41,315	Acquisition	75,20,745	4.95
				30/5/2014	-43,550	Sale	74,77,195	4.92
				6/6/2014	-57,617	Sale	74,19,578	4.88
				13/6/2014	-71,191	Sale	73,48,387	4.83
				30/6/2014	36,100	Acquisition	73,84,487	4.86
				18/7/2014	60,960	Acquisition	74,45,447	4.9
				1/8/2014	7,000	Acquisition	74,52,447	4.9
				8/8/2014	1,89,063	Acquisition	76,41,510	5.03
				15/8/2014	40,143	Acquisition	76,81,653	5.05
				22/8/2014	5,87,400	Acquisition	82,69,053	5.44
				29/8/2014	2,33,692	Acquisition	85,02,745	5.59
				5/9/2014	4,89,300	Acquisition	89,92,045	5.92
				12/9/2014	1,36,600	Acquisition	91,28,645	5.66
				19/9/2014	5,600	Acquisition	91,34,245	5.66
				30/09/2014	1,28,050	Acquisition	92,62,295	5.74
				3/10/2014	3,800	Acquisition	92,66,095	5.74
				10/10/2014	6,900	Acquisition	92,72,995	5.58
				21/11/2014	15,000	Acquisition	92,87,995	5.59
				19/12/2014	-4,02,400	Sale	88,85,595	5.35
		31/12/2014	-2,03,426	Sale	86,82,169	5.23		
		2/1/2015	-25,545	Sale	86,56,624	5.21		
		9/1/2015	3,46,26,496	Split	4,32,83,120	5.21		
		9/1/2015	-9,21,055	Sale	4,23,62,065	5.1		
		16/1/2015	-5,00,000	Sale	4,18,62,065	5.04		
		13/2/2015	-28,884	Sale	4,09,70,931	4.93		
		20/2/2015	-1,80,206	Sale	4,07,90,725	4.91		
		27/2/2015	2,00,000	Acquisition	4,09,90,725	4.93		
		6/3/2015	8,76,000	Acquisition	4,18,66,725	5.04		
		13/3/2015	1,78,800	Acquisition	4,20,45,525	5.06		
		27/3/2015	2,00,000	Acquisition	4,22,45,525	5.08		
		4,22,45,525	5.08	31/3/2015		4,22,45,525	5.08	
4	Infrastructure India Holdings Fund LLC	55,68,609	3.66	1/4/2014				
				9/1/2015	2,22,74,436	Split	2,78,43,045	3.35
		2,78,43,045	3.35	31/3/2015			2,78,43,045	3.35
5	P6 Aisa Holding Investments Iv (Mauritius) Limited	38,70,000	2.55	1/4/2014				
				9/1/2015	1,54,80,000	Split	1,93,50,000	2.39
		1,93,50,000	2.39	31/3/2015			1,93,50,000	2.39

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Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14)/end of the year (31-03-15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
6	UTI-Opportunities Fund	24,90,557	1.64	1/4/2014				
				13/6/2014	-1,17,312	Sale	23,73,245	1.56
				20/6/2014	-17	Sale	23,73,228	1.56
				30/6/2014	-12,671	Sale	23,60,557	1.55
				4/7/2014	-32,100	Sale	23,28,457	1.53
				18/7/2014	-3,01,320	Sale	20,27,137	1.33
				12/9/2014	-472	Sale	20,26,665	1.26
				21/11/2014	-629	Sale	20,26,036	1.22
				19/12/2014	-1,399	Sale	20,24,637	1.22
				31/12/2014	-9,730	Sale	20,14,907	1.21
				2/1/2015	-522	Sale	20,14,385	1.21
				9/1/2015	80,57,540	Split	1,00,71,925	1.21
				16/1/2015	-8,057	Sale	1,00,63,868	1.21
				20/3/2015	2,50,000	Acquisition	1,03,13,868	1.27
				27/3/2015	3,03,785	Acquisition	1,06,17,653	1.28
		1,06,17,653	1.28	31/3/2015		1,06,17,653	1.28	
7	Route One Investment Company, L.P. A/C Route One Fund I, L.P.	32,33,330	2.13	1/4/2014				
				4/4/2014	5,457	Acquisition	32,38,787	2.13
				25/4/2014	1,53,653	Acquisition	33,92,440	2.23
				9/5/2014	10,550	Acquisition	34,02,990	2.24
				4/7/2014	18,018	Acquisition	34,21,008	2.25
				8/8/2014	9,251	Acquisition	34,30,259	2.26
				5/9/2014	-9,155	Sale	34,21,104	2.25
				10/10/2014	-20,91,192	Sale	13,29,912	0.8
				7/11/2014	-17,029	Sale	13,12,883	0.79
				21/11/2014	-12,348	Sale	13,00,535	0.78
				28/11/2014	-7,077	Sale	12,93,458	0.78
				5/12/2014	-1,59,836	Sale	11,33,622	0.68
				19/12/2014	11,33,622	Sale	0	0
8	Morgan Stanley Asia (Singapore) PTE.	24,30,760	1.6	1/4/2014				
				4/4/2014	6,62,720	Acquisition	30,93,480	2.04
				14/11/2014	-3,612	Sale	30,89,868	1.86
				28/11/2014	7,224	Acquisition	30,97,092	1.86
				5/12/2014	-2,596	Sale	30,94,496	1.86
				19/12/2014	-135	Sale	30,94,361	1.86
				9/1/2015	1,23,77,444	Split	1,54,71,805	1.86
				6/3/2015	1,00,000	Acquisition	1,55,71,805	1.87
				25/3/2015	25,000	Acquisition	1,55,96,805`	1.88
		1,55,96,805`	1.88	31/3/2015		1,55,96,805`	1.88	

Sr. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14)/end of the year (31-03-15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
9	Route One Investment Company, L.P. A/c Route One Offshore Master Fund L.P.	29,08,816	1.91	1/4/2014				
				4/4/2014	-5,599	Sale	29,03,217	1.91
				25/4/2014	1,37,727	Acquisition	30,40,944	2.00
				9/5/2014	-10,163	Sale	30,30,781	1.99
				4/7/2014	-17,382	Sale	30,13,399	1.98
				8/8/2014	-8,766	Sale	30,04,633	1.98
				5/9/2014	6,889	Acquisition	30,11,522	1.98
				10/10/2014	-18,66,812	Sale	11,44,710	0.69
				7/11/2014	17,912	Acquisition	11,62,622	0.70
				21/11/2014	-10,934	Sale	11,51,688	0.69
				28/11/2014	-6,268	Sale	11,45,420	0.69
				5/12/2014	-69,813	Sale	10,75,607	0.65
		19/12/2014	-10,75,607	Sale	0	0		
10	Government Pension Fund Global	19,53,973	1.28	1/4/2014				
				4/4/2014	-59,050	Sale	18,94,923	1.25
				11/4/2014	-46,212	Sale	18,48,711	1.22
				18/4/2014	-34,085	Sale	18,14,626	1.19
				25/4/2014	-46,864	Sale	17,67,762	1.16
				2/5/2014	-94,030	Sale	16,73,732	1.10
				9/5/2014	-1,46,871	Sale	15,26,861	1.00
				16/5/2014	-29,117	Sale	14,97,744	0.99
				30/5/2014	-12,884	Sale	14,84,860	0.98
				6/6/2014	-64,641	Sale	14,20,219	0.93
				13/6/2014	-44,634	Sale	13,75,585	0.90
				20/6/2014	-48,514	Sale	13,27,071	0.87
				30/6/2014	-48,019	Sale	12,79,052	0.84
				4/7/2014	-31,546	Sale	12,47,506	0.82
				11/7/2014	-13,665	Sale	12,33,841	0.81
				18/7/2014	-13,633	Sale	12,20,208	0.80
				25/7/2014	-23,786	Sale	11,96,422	0.79
				1/8/2014	-19,600	Sale	11,76,822	0.77
				8/8/2014	-48,061	Sale	11,28,761	0.74
				15/8/2014	-26,722	Sale	11,02,039	0.73
		22/8/2014	-21,617	Sale	10,80,422	0.71		
		9/1/2015	43,21,688	Split	54,02,110	0.65		
		54,02,110	0.65	31/3/2015		54,02,110	0.65	
11	Smallcap World Fund, Inc.	0	0	1/4/2014				
				10/10/2014	70,50,000	Acquisition	70,50,000	4.24
				9/1/2015	2,82,00,000	Split	3,52,50,000	4.24
		3,52,50,000	4.24	31/3/2015			3,52,50,000	4.24

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Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14)/end of the year (31-03-15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
12	CLSA Global Markets Pte. Ltd.	0	0	1/4/2014				
				24/10/2014	18,55,574	Acquisition	18,55,574	1.12
				31/10/2014	102,807	Acquisition	19,58,381	1.18
				14/11/2014	47,00,000	Acquisition	66,69,881	4.02
				9/1/2015	2,66,79,524	Split	3,33,49,405	4.02
		3,33,49,405	4.02	31/3/2015			3,33,49,405	4.02
13	Goldman Sachs (Singapore) PTE	10,65,700	0.7	1/4/2014				
				2/5/2014	-16,306	Sale	10,49,394	0.69
				9/5/2014	-2,17,065	Sale	8,32,329	0.55
				16/5/2014	-1,05,640	Sale	7,26,689	0.48
				18/7/2014	-5,00,000	Sale	2,26,689	0.15
				25/7/2014	-2,14,936	Sale	11,753	0.01
				1/8/2014	-2,236	Sale	9,517	0.01
				8/8/2014	-5,981	Sale	3,536	0
				15/8/2014	-3,536	Sale	0	0
				19/12/2014	2,20,000	Acquisition	2,20,000	0.13
				31/12/2014	82,858	Acquisition	3,02,858	0.18
				2/1/2015	40	Acquisition	3,02,898	0.18
				9/1/2015	12,11,592	Split	15,14,490	0.18
				23/1/2015	89,81,819	Acquisition	1,04,96,309	1.26
				30/1/2015	4,46,057	Acquisition	1,09,42,366	1.32
				6/2/2015	5,23,586	Acquisition	1,14,65,952	1.38
				13/2/2015	69,788	Acquisition	1,15,35,740	1.39
				20/2/2015	3,57,842	Acquisition	1,18,93,582	1.43
				27/2/2015	3,45,735	Acquisition	1,22,39,317	1.47
				6/3/2015	4,35,879	Acquisition	1,26,75,196	1.52
		13/3/2015	22,392	Acquisition	1,26,97,588	1.53		
		27/3/2015	44,50,521	Acquisition	1,71,48,109	2.06		
		1,71,48,109	2.06	31/3/2015			1,71,48,109	2.06
14	American Funds Insurance Series Global Small Capitalization Fund	0	0	1/4/2014				
				10/10/2014	23,50,000	Acquisition	23,50,000	1.41
				9/1/2015	94,00,000	Split	1,17,50,000	1.41
				1,17,50,000	1.41	31/3/2015		

Note: (1) The aforesaid details includes top 10 shareholders as on 31.03.2014, changes therein and as on 31.03.2015.

(2) Split indicates subdivision of 1 equity shares of ₹ 10 each into 5 equity shares of ₹ 2 each.

## v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No	Name	Shareholding		Date	Increase/Decrease	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14) / end of the year (31-03-15)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Mr. Rajan Raheja Non-Executive Director	0	0	1/4/2014	0	No change during the year		
		0	0	31/3/2015			0	0
2	Mr. Akshay Raheja Non-Executive Director	2,42,82,600	15.97	1/4/2014		Split		
				9/1/2015	9,71,30,400		12,14,13,000	14.62
3	Mr. Viren Raheja Non-Executive Director	12,14,13,000	14.62	31/3/2015			12,14,13,000	14.62
		2,39,10,600	15.7308	1/4/2014		Split		
4	Mr. Jagdishkumar G. Pillai Managing Director & CEO			9/1/2015	9,56,42,400			11,95,53,000
		11,95,53,000	14.3954	31/3/2015			11,95,53,000	14.39
5	Mr. Sridhar Gorthi Chairman & Non-Executive Independent Director	0	0	1/4/2014	0	No change during the year		
		0	0	31/3/2015			0	0
6	Mr. Vinayak Aggarwal Non-Executive Director	0	0	1/4/2014	0	No change during the year		
		0	0	31/3/2015			0	0
7	Mr. Sasha Mirchandani Non-Executive Independent Director	0	0	1/4/2014	0	No change during the year		
		0	0	31/3/2015			0	0
8	Mr. Biswajit Subramaniam Non-Executive Director	0	0	1/4/2014	0	No change during the year		
		0	0	31/3/2015			0	0
9	Mr. Brahma Vasudevan Non-Executive Independent Director	0	0	1/4/2014	0	No change during the year		
		0	0	31/3/2015			0	0
10	Mr. Devendra Shrotri Non-Executive Independent Director	0	0	1/4/2014	0	No change during the year		
		0	0	31/3/2015			0	0
11	Ms. Ameeta Parpia Non-Executive Independent Director	5,463	0	1/4/2014		Split		
				9/1/2015	21,852		27,315	0
		27,315	0	31/3/2015			27,315	0

Note: Split indicates subdivision of 1 equity shares of ₹ 10 each into 5 equity shares of ₹ 2 each.

## II INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11,287,236,652	-	-	11,287,236,652
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	56,254,199	-	-	56,254,199
<b>Total (i+ii+iii)</b>	<b>11,343,490,852</b>	<b>-</b>	<b>-</b>	<b>11,343,490,852</b>
Change in Indebtedness during the financial year				
• Addition	4,670,270,373	24,000,000	-	4,694,270,373
• Reduction	(5,117,448,917)	-	-	(5,117,448,917)
Net Change	(447,178,544)	24,000,000	-	(423,178,544)
Indebtedness at the end of the financial year				
i) Principal Amount	10,840,058,108	24,000,000	-	10,864,058,108
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	63,935,156	784,701	-	64,719,857
<b>Total (i+ii+iii)</b>	<b>10,903,993,265</b>	<b>24,784,701</b>	<b>-</b>	<b>10,928,777,966</b>

## III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Mr. Jagdishkumar G. Pillai	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,82,78,902	1,82,78,902
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	39,600	39,600
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	10,29,108	10,29,108
	<b>Total</b>	<b>1,93,47,610</b>	<b>1,93,47,610</b>
	Ceiling as per the Act	Not Applicable	

## B. REMUNERATION TO OTHER DIRECTORS:

None of the other Directors are receiving remuneration except sitting fees.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/WTD/MANAGER**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,82,78,902	20,86,270	9,803,014	30,168,186
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	39,600	32,400	39,600	111,600
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please	-	-	-	-
	Specify: Exempt from tax (Incl. PF)	10,29,108	613,730	765,202	2,408,040
	<b>Total</b>	<b>1,93,47,610</b>	<b>27,32,400</b>	<b>1,06,07,816</b>	<b>3,26,87,826</b>

**IV PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were neither any penalties/punishment levied on the Company nor the compounding of offences was done during the year under review.

**For and on behalf of the Board**

**Jagdishkumar G. Pillai**  
Managing Director & CEO  
DIN 00036481

**Vinayak Aggarwal**  
Director  
DIN 00007280

Date: 29/05/2015  
Place: Mumbai

**Registered Office**

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

CIN: L64204MH1959PLC011421  
Tel No. 022-26001306 Fax No. 022-26001307  
Email: info@hathway.net, website: www.hathway.com

## ANNEXURE V

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

**(A) Conservation of energy:**

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

**(B) Technology absorption:**

Efforts made towards technology absorption	Not Applicable
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
<ul style="list-style-type: none"> <li>• Details of technology imported</li> <li>• Year of import</li> <li>• Whether the technology has been fully absorbed</li> <li>• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof</li> </ul>	Not Applicable
Expenditure incurred on Research and Development	

**(C) Foreign exchange earnings and Outgo:**

	1st April, 2014 to 31st March, 2015 [Current F.Y.]	1st April, 2013 to 31st March, 2014 [Previous F.Y.]
	Amount (Rs. In Crores)	Amount (Rs. In Crores)
Actual Foreign Exchange earnings	11.68	52.49
Actual Foreign Exchange outgo	196.60	310.59

**For and on behalf of the Board**

**Jagdishkumar G. Pillai**  
Managing Director & CEO  
DIN 00036481

**Vinayak Aggarwal**  
Director  
DIN 00007280

Date: 29/05/2015  
Place: Mumbai

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# MANAGEMENT DISCUSSION AND ANALYSIS

Almost three years after the cable digitisation drive in India began, the Cable & Satellite (C&S) segment of the Media and Entertainment industry has many changes on its landscape. Of the total C&S subscriber base of 149 million, over half or approximately 79 million are receiving signals digitally, as at the end of CY 2014. These figures are expected to rise considerably once the transition to digital is complete and both MSOs and Direct To Home (DTH) operators will stand to benefit in the new scenario as customer value propositions and paying ability are more optimally tapped.

Another revolution that presents itself as a great opportunity before MSOs is the data traffic explosion that has erupted with the smart phone penetration in India. It is estimated that while mobile data traffic is growing at around 60% YoY across the globe, in India it is far higher at approximately 100% on a YoY basis. A bulk of this data usage, despite being through mobile phones, takes place through Wi-Fi networks that are linked to cables. As a result, well placed MSOs are in a good position to tap the large latent demand for broadband.

With considerable investments already in place during Phase I and II of the digitisation mandate and as the largest Indian cable MSO, with a cable universe of 11.8 million and 0.46 million broadband subscribers, we are ready to ride both waves – cable digitisation and data traffic explosion – and benefit from them.

## DIGITAL CABLE

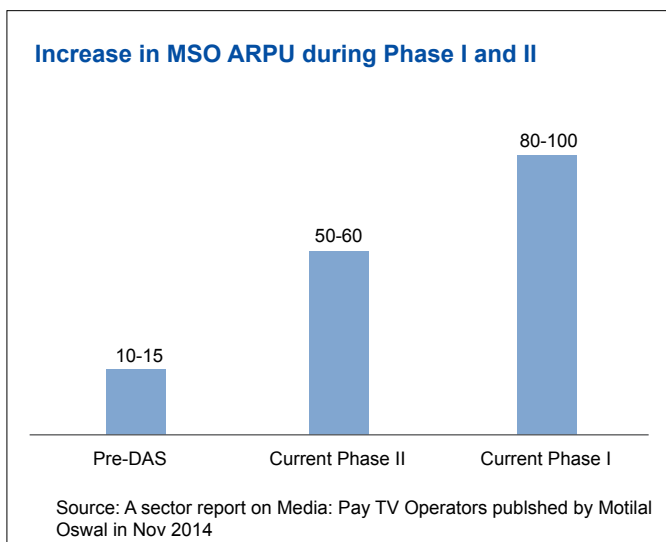
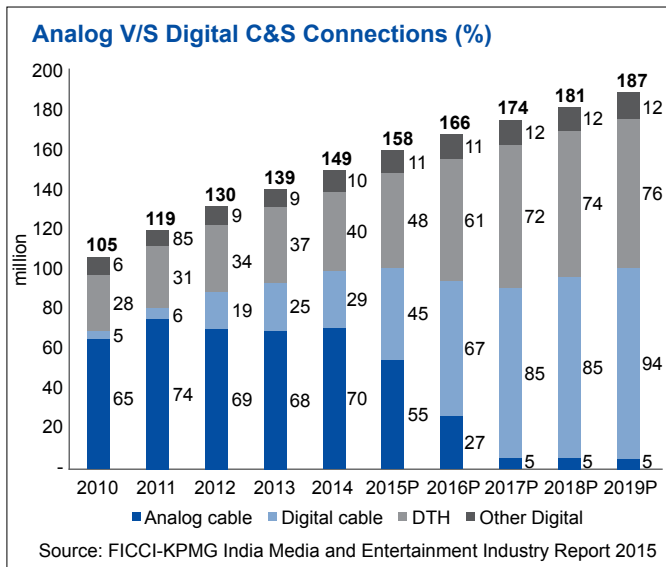
### Industry Overview

With Phase I and II of cable digitisation complete, India has an estimated digital C&S subscriber base of around 149 million, as at the end of CY 2014. In order to provide adequate time for the manufacture of set-top boxes locally, the government has relaxed the deadline for Phase III and IV to December 2015-16. Accordingly, nationwide digitisation will become a reality only by the beginning of CY 2017. The growth opportunity and investments requirement until then are enormous.

Since the advent of digitisation, there has been a continuous increase in net realisations for pan-India MSOs during Phase I and II. The net ARPU for cable MSOs in these cities has increased from ₹ 10-15 earlier to ₹ 80-100 at present and is still on the rise as gross billing gets implemented in more cities. It is expected that by FY 2018, net ARPU could reach approximately ₹ 120 for pan-India MSOs, translating into a growth of 300-400% over FY 2014 ARPU of ₹ 24-40. This will be driven by a combination of an increase in the proportion of digital subscribers and better monetisation as well.

### Business Overview

Of our cable universe of approximately 11.8 million at present, the current digital subscriber base of around 8.5 million comprises about 2.4 million Phase I, 4.3 million Phase II and 1.8 million Phase III and IV subscribers. Accordingly, we have already made significant investments towards capturing the digitisation opportunity as is apparent from the fact that a lion's share of 7.1 million of the 11.8 million subscriber universe is from Phase I and II. Further, we have a diversified operational presence in 160 cities and towns across 20 states and a market share of 30-85% in the top 15 Phase I/II cities.





Our current net exit ARPU from Phase I stands at around ₹ 100/month and at ₹ 67/month from Phase II monetisation. In addition, with a dominant presence in the Phase I metros of Mumbai, Delhi and Kolkata, we enjoy one of the highest Carriage and Placement (C&P) yields per universe subscriber in the industry.

Looking ahead, we expect a significant rise in net content cost from digitised subscribers. As the proportion of digitised subscriber's increases, we expect net content costs to increase too.

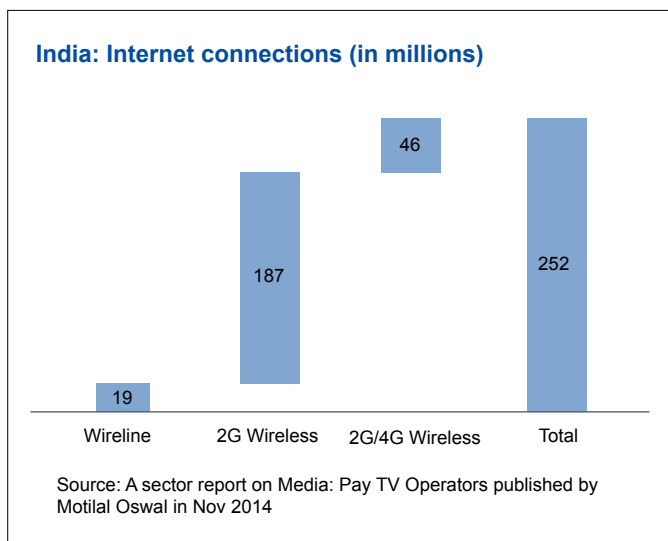
## BROADBAND

### Industry Overview

While India has 252 million internet connections, 187 million are on 2G wireless, 46 million are on 3G/4G wireless, while only a small fraction are wireline based. Of these wireline based connections, barely 5% or a total of less than 1 million subscribers are via cable. Since wireless tends to be the preferred mode of connectivity due to infrastructure bottlenecks, it presents MSOs focussed on the broadband segment with a huge untapped opportunity, especially in the home segment as the wireline household penetration stands at less than 8%.

At the same time, the broadband segment in India enjoys a steady-state margin of 35-40% which is superior to the 20-25% achieved by cable TV. This is due to the fact that the broadband business is incremental in nature and requires much lower revenue sharing with LCOs than cable TV and no pay-outs are due to broadcasters, etc.

With DOCSIS 3.0 technology, which provides speeds of 50-100 Mbps, being deployed by leading MSOs like ours and better steady-state margins, the ARPU for the broadband business, is expected to increase tremendously .



### Business Overview

We continue to be the largest broadband player in India in the cable broadband market with a 40% share of the cable broadband market and a 2% share of wireline internet connections. Our networks pass approximately 2.3 million homes. We leverage our strong and extensive presence in the cable TV market, which has become the foundation for our internet initiatives.

Post the launch of our high speed DOCSIS 3.0 technology-based internet service in October 2013, we have already upgraded approximately 20% of our subscriber base to this service, which offers speeds of 50 Mbps at competitive price points. This has resulted in better subscriber retention and boosted ARPU too.

### Performance Review

The standalone operating revenue of the Company for the year ended March 31, 2015 stood at ₹ 1,023.5 Crores, which represents a growth of 4.4% over the previous year. The EBITDA was at ₹ 139.4 Crores (previous year ₹ 191.9 Crores).

The consolidated operating revenue was ₹ 1,831.6 Crores (previous year ₹ 1,583.3 Crores), up by 15.7%, and the EBITDA at ₹ 259.9 Crores (previous year ₹ 309.8 Crores). The consolidated PAT loss stood at ₹ 174.5 Crores (previous year PAT ₹ 140.7 Crores).

### Key Growth Drivers

#### *Significant investments already completed in Phase I and II*

With almost 60% of our subscriber universe already digitised in Phase I and II, we have already completed a bulk of investments towards the digitisation opportunity and can now look forward to reaping the returns on that investment.

#### *Higher C&P driven by a diversified presence in HSM*

While we enjoy a dominant market share across several metros, including the high profile Phase I cities of Mumbai, Delhi and Kolkata, we have also expanded our universe by further consolidating our presence in the Hindi speaking markets (HSM).

**Value-Added Services & Bundling**

Value-added services such as HD, VoD and niche channels are expected to continue to be key revenue drivers in the future. Hathway has developed the necessary backend infrastructure and ecosystem for the roll-out of these services. It currently offers 30+HD channels on its network and bundled services (Cable TV + HD + Broadband DOCSIS 3.0) to its customers. This acts as a barrier to customer churn.

**Branding and Customer Service**

Over time, customer service, brand identity and value have 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**

<b>Nature of Risk</b>	<b>Risk</b>	<b>Risk Mitigation Strategy</b>
Impact of a possible decline of broadcasting business.	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.	While revenues from carriage and placement will decline over a period of time, we anticipate that the declines will be more than made up by growth in subscription and Value-added services revenues. The Company also earns Advertisement revenues from local channels carried on its network. This is expected to further contribute to revenue growth.
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 co-operation of last mile owners of networks and revenue sharing will certainly reflect this reality.	The Company expects that with TRAI rigorously implementing the mandate for DAS, LCOs will eventually buy into the new business model.
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.	Hathway is amongst the largest players in the MSO universe and is well placed to protect and grow its market share by virtue of the quality of services of its network, localisation of content and lack of monsoon-related fade in its signals.
Financing risk	As at March 31, 2015, we have outstanding loans from banks and financial institutions of ₹ 225 Crores, which are subject to floating interest rates. In addition, outstanding payables to banks and creditors for capital expenditure aggregated to ₹ 852 Crores and are subject to fluctuations in foreign currency rates.	The Company has put into place a formal mechanism to constantly review and if necessary hedge foreign currency risks. The interest rates risks are not hedged.

## HUMAN RESOURCES

We have successfully transitioned from a B2B to B2C player. This requires a completely different customer interface, which can be done only by leveraging quality human resources that enhance our customers' experiences.

The talent sourcing drive that we started a couple of years ago, continues to gain momentum during the year as we went on to recruit additional human resources with experience in the telecommunications and media space. This has enabled us to secure our leadership position as the digitisation process picks further pace. Nearly 2,000 employees (including employees on contract and sub-contract basis) were added during the year. With that, the total employee count crossed 4,700 for the year ending March 31, 2015.

Various initiatives have been undertaken during the year to restructure and retrain 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

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

The Company believes in adopting the 'best practices' that are followed in the area of corporate governance across various geographies. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive & Non-Executive Directors.

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 per the provisions of Clause 49 (II)(A) of the Listing Agreement, where the Company has non-executive Chairman, it would be necessary to have at least one third of the total number of directors as independent directors and they shall not liable to retire by rotation. The shareholders of the Company have at the Annual General Meeting held on August 5, 2014, approved appointment of four Independent Directors to hold office upto the date of August 4, 2019. Further, in compliance to the provisions of the aforesaid Clause of the Listing Agreement, of having at least one woman director on the Board, the Company has appointed Ms. Ameeta Parpia as an Additional Director under the category of Independent Director.

As on 31st March, 2015, in compliance of revised Clause 49 of the Listing Agreement, the Board has an optimum combination of Executive, Non-Executive and Independent Directors, comprising of One (1) Executive Director and Ten (10) Non-Executive Directors of which Five (5) are Independent Directors. The Company has Non-Executive Chairman and he is an Independent Director. None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Directors act as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director.

The composition of the Board and other relevant details relating to Directors for the financial year ended March 31, 2015 are as under:

Name of the Director	Relationship with other Directors	Designation	Category of Directorship	No of Other Directorships <sup>1</sup>	No of Committees in other Companies <sup>2</sup>	
					Chairman	Member
Mr. Sridhar Gorthi*	None	Chairman	Independent	2	-	-
Mr. Rajan Raheja	Father of Mr. Akshay Raheja & Mr. Viren Raheja	Director	Non- executive & Non Independent	6	-	3
Mr. Akshay Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Viren Raheja	Director	Non- executive & Non Independent	1	-	1
Mr. Viren Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Akshay Raheja	Director	Non- executive & Non Independent	3	-	1

Name of the Director	Relationship with other Directors	Designation	Category of Directorship	No of Other Directorships <sup>1</sup>	No of Committees in other Companies <sup>2</sup>	
					Chairman	Member
Mr. Jagdishkumar G Pillai	None	Managing Director & CEO	Executive	-	-	-
Mr. Vinayak Aggarwal	None	Director	Non- executive & Non Independent	2	-	-
Mr. Sasha Mirchandani	None	Director	Independent	1	-	-
Mr. Brahma Vasudevan**	None	Director	Independent	-	-	-
Mr. Devendra Shrotri	None	Director	Independent	-	-	-
Mr. Biswajit Subramanian	None	Director	Non- executive & Non Independent	2	-	-
Ms. Ameeta Parpia***	None	Director	Independent	3	-	-

1 Directorships in Private, Foreign Companies and Companies under Section 8 of Companies Act, 2013 if any, are excluded.

2 Memberships of only Audit Committee and Stakeholders' Relationship Committee have been considered.

\* appointed as Chairman of the Company w.e.f. 12th August, 2014

\*\* ceased to be Chairman of the Company w.e.f. 12th August, 2014

\*\*\* appointed w.e.f. 11th February, 2015

#### b) Appointment/Re-appointment of Directors:

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Viren Raheja, Mr. Vinayak Aggarwal and Mr. Biswajit Subramanian, Directors shall retire by rotation at the forthcoming Annual General Meeting.

The Company has received the notice along with requisite deposit, from member of the Company pursuant to Section 160 of the Companies Act, 2013, proposing the candidature of Ms. Ameeta Parpia, an Additional Director appointed to hold office upto the date of ensuing Annual General Meeting, for the office of Director, to be designated as Independent Director of the Company.

The Board has recommended to the shareholders the appointment / re-appointment of the aforesaid directors retiring by rotation and of Woman Director under the category of Independent Director, as in the opinion of the Board, they fulfill the conditions specified in this Act for holding of office of Director / Independent Director respectively. 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 dated 29th May, 2015.

#### c) Board Meetings and Annual General Meeting:

During the financial year 2014-15, 10 (Ten) Board Meetings were held on 29th May, 2014, 7th August, 2014, 12th August, 2014, 5th September, 2014, 9th September, 2014, 10th September, 2014, 10th October, 2014, 14th October, 2014, 13th November, 2014 and 11th February, 2015. The directors are also given an option of attending the Board Meeting through video conferencing.

The last Annual General Meeting of the Company was held on 5th August, 2014.

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. Sridhar Gorthi	8	Yes
Mr. Rajan Raheja	7	No
Mr. Akshay Raheja	6	No
Mr. Viren Raheja	9	Yes
Mr. Jagdishkumar G. Pillai	10	Yes
Mr. Vinayak Aggarwal	8	Yes
Mr. Sasha Mirchandani	5	No
Mr. Brahmam Vasudevan	1	No
Mr. Devendra Shrotri	1	Yes
Mr. Biswajit Subramanian	4	No
Ms. Ameeta Parpia*	NA	NA

\* appointed w.e.f. 11th February, 2015

**d) Separate meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 11th February, 2015 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

**e) Induction and training of the Board Members:**

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation from the Managing Director & CEO on the Company's legal, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Committee Members, Business and Functional Heads, etc.

**f) Evaluation of Board performance:**

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

**g) Code of Conduct:**

The Board has laid down a code of conduct for all Board members and senior management of the Company.

The Company has obtained the confirmation of the Compliance with the Code from all its Board members and senior management personnel. 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.

**h) Prevention of Insider Trading Code:**

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of internal Procedure & Conduct for Regulating, Monitoring and Reporting of Trading by Insiders for Prevention of Insider Trading. All the Specified Person's who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mr. Ajay Singh, Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review, there has been due compliance with the said code.



### 3. AUDIT COMMITTEE

#### a) Constitution of Audit Committee:

The Committee comprises of 6 (Six) Non-executive Directors out of which five are Independent Directors. All the members of the Committee are financially literate and Mr. Sasha Mirchandani, who has done his Business Administration from Strayer University and MMDP program at IIM, Ahmedabad has financial management expertise. The Chairman of the Audit Committee is an Independent Director.

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

During the Financial year 2014-15, 4 (Four) Audit Committee Meetings were held on 29th May, 2014, 12th August, 2014, 13th November, 2014 and 11th February, 2015. The directors are also given an option of attending the meeting through video conferencing. The composition of the Audit Committee and the number of meetings attended are as under:

Committee Members Attending the Meeting	Category	Designation	No. of Meetings Attended
Mr. Sridhar Gorthi	Independent	Chairman	4
Mr. Viren Raheja	Non Independent Non Executive	Member	4
Mr. Sasha Mirchandani	Independent	Member	4
Mr. Devendra Shrotri	Independent	Member	1
Mr. Brahma Vasudevan	Independent	Member	1

#### 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 and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgments 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, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

- viii) Approval or any subsequent modification of transactions of the company with related parties;
- ix) Scrutiny of inter-corporate loans and investments;
- x) Valuation of undertakings or assets of the company, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems;
- xii) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) 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;
- xiv) Discussion with internal auditors on any significant findings and follow up there on;
- xv) 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;
- xvi) Discussion with statutory auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii) 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;
- xviii) To review the functioning of the Whistle Blower mechanism;
- xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx) Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### a) Constitution of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of 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 29th May, 2014 in compliance with the provisions of the Companies Act, 2013. The Company has taken necessary steps to adequately comply with the Clause 49 of the Listing Agreement.

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

During the financial year 2014-15, no Meeting of Nomination and Remuneration committee was held.

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

\* Mr. Sasha Mirchandani was appointed as the Chairman of the Committee w.e.f. 29th May, 2015.

##### c) Terms of reference:

The Committee is empowered -

- (i) Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.

- (ii) Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnels.
- (iii) Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance.
- (iv) Conduct Annual performance review of MD & CEO and Senior Management Employees.
- (v) Administration of Employee Stock Option Scheme (ESOS).
- (vi) Formulate a policy relating to remuneration for the Directors and the Senior Management Employees.

**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, qualification and experience of the employee, responsibilities handled by him, his individual performance, etc.

ii) Non-Executive Directors:

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

The Board of Directors of the Company at their meeting held on 7th August, 2014 approved the revision in sitting fees to ₹ 50,000/- (Rupees Fifty Thousand only) for attending meeting of Board of Directors and ₹ 40,000/- (Rupees Forty Thousand only) for attending meeting of the Audit Committee.

Details of the sitting fees paid during the financial year 2014-15 are as under:

<b>Name of the Director</b>	<b>Sitting Fees Paid (Amt. in ₹)</b>
Mr. Rajan Raheja	270,000
Mr. Akshay Raheja	250,000
Mr. Viren Raheja	505,000
Mr. Vinayak Aggarwal	270,000
Mr. Brahma Vasudevan	90,000
Mr. Sasha Mirchandani	305,000
Mr. Sridhar Gorthi*	455,000
Mr. Devendra Shrotri	90,000
Mr. Biswajit Subramanian	170,000
Ms. Ameeta Parpia **	-
<b>Total</b>	<b>2,035,000</b>

\* Payments made directly to "Trilegal"

\*\* Appointed as Director w.e.f 11th February, 2015

iii) Executive Directors:

As on 31st March, 2015, Mr. Jagdishkumar G. Pillai, Managing Director & CEO, was only Executive Director of the Company.

Details of remuneration paid to Executive Director during year ended March 31, 2015 are given below:

<b>Name of the Executive Director</b>	<b>Designation</b>	<b>Salary &amp; Perquisites (₹)</b>	<b>Commission (₹)</b>	<b>Total (₹)</b>
Mr. Jagdishkumar G. Pillai	Managing Director & CEO	1,93,47,610	0	1,93,47,610

## 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 29th May, 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 Company has taken necessary steps to adequately comply with the Clause 49 of the Listing Agreement.

During the financial year 2014-2015, no meeting of Stakeholders' Relationship Committee was held.

The composition of the Stakeholders' Relationship Committee is as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Jagdishkumar G. Pillai*	Chairman	-
Mr. Vinayak Aggarwal	Member	-
Mr. Viren Raheja	Member	-

\* Mr. Vinayak Aggarwal, Non-Executive Director was appointed as the Chairman of the Committee w.e.f. 29th May, 2015

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

### c) During the year 2014 - 15, 1 grievance from investors has been received. There were 0 complaints pending as at end of the year.

Received from	Received During 2014-15	Redressed during 2014-15	Pending as on 31.03.2015
SEBI	0	0	0
NSE	0	0	0
BSE	0	0	0
NSDL/CDSL	0	0	0
Direct from Investors	1	1	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>

### 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 transfers of shares held in physical form during the year 2014-15.

## 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
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
2013-14	05.08.2014	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
2011-2012	Nil
2012-2013	Nil
2013-2014	Amendment to the Articles of Association of the Company to bring in line with the provisions of new Companies Act, 2013.

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
2012-13	NIL		
2013-14	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
2014-15	05.09.2014	Rahejas, 6th Floor, Corner of Main Avenue & V.P.Road, Santacruz West, Mumbai 400054	2.00 p.m.
	10.10.2014	Rahejas, 6th Floor, Corner of Main Avenue & V.P.Road, Santacruz West, Mumbai 400054	2.00 p.m

iv) During the financial year 2014-15, following resolutions were passed by way of Postal Ballot for seeking approval of members:

**POSTAL BALLOT IN NOVEMBER 2014**

Sr. No.	Description of Resolution	Date of Declaration of Result
1.	Ordinary Resolution for sub-division of each Equity Share of the face value of ₹ 10/- each into five (5) Equity Shares of the face value of ₹ 2/- each.	22.12.2014
2	Ordinary Resolution for alteration of the Capital Clause of Memorandum of Association of the Company.	

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

**Voting Pattern and Procedure for Postal Ballot:**

- i) The Board of Directors of the Company, vide resolution passed by the Board of Directors at their meeting held on 13th November, 2014, had appointed Mr. Himanshu S. Kamdar as the Scrutinizer for conducting the postal ballot voting process.
- ii) The Company had completed the dispatch of the Postal Ballot Notice dated 13th November, 2014 together with the Explanatory Statement on 19th November, 2014, along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on 14th November, 2014.
- iii) The voting under the postal ballot was kept open from 20th November, 2014 (from 10.00 a.m.) to 19th December, 2014 (upto 5.00 p.m.) (either physically or through electronic mode)
- iv) Particulars of postal ballot forms received from the Members using the electronic platform of CDSL were entered in a register separately maintained for the purpose.
- v) The postal ballot forms were kept under safe custody of the scrutinizer in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.

- vi) All postal ballot forms received/receivable up to the closure of working hours on 19th December, 2014 the last date and time fixed by the Company for receipt of the forms, had been considered for his scrutiny.
- vii) Envelopes containing postal ballot forms received after closure of working hours on 19th December, 2014 had not been considered for his scrutiny.
- viii) On 22nd December, 2014, Mr. Jagdishkumar G. Pillai, Managing Director & CEO announced the following results of the postal ballot as per the Scrutinizer's Report:

#### Details of Agenda

- I. Sub-division of Equity Shares of ₹ 10/- each into 5 Equity Shares of ₹ 2/- each fully paid-up:

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through physical Postal Ballots and Electronic Mode	101,008,731	101,008,681	100	50	0.00

- II. Alteration of Existing Clause V (a) of Memorandum of Association of the Company consequent upon sub-division of Equity Shares of the Company:

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through physical Postal Ballots and Electronic Mode	101,008,506	101,008,456	100	50	0.00

#### POSTAL BALLOT IN FEBRUARY 2015

Description of Resolution	Date of Declaration of Result
Special resolution for increasing the foreign investment limit in the Company up to 74% of the issued and paid-up capital.	16.02.2015

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

#### Voting Pattern and Procedure for Postal Ballot:

- i) The Board of Directors of the Company, vide circular resolution passed by the Board of Directors on 7th January, 2015, had appointed Mr. Himanshu S. Kamdar as the Scrutinizer for conducting the postal ballot voting process.
- ii) The Company had completed the dispatch of the Postal Ballot Notice dated 7th January, 2015 together with the Explanatory Statement on 14th January, 2015, along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on 7th January, 2015.
- iii) The voting under the postal ballot was kept open from 15th January, 2015 (from 10.00 a.m.) to 13th February, 2015 (upto 5.00 p.m.) (either physically or through electronic mode)
- iv) Particulars of postal ballot forms received from the Members using the electronic platform of CDSL were entered in a register separately maintained for the purpose.
- v) The postal ballot forms were kept under safe custody of the scrutinizer in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- vi) All postal ballot forms received/receivable up to the closure of working hours on 13th February, 2015 the last date and time fixed by the Company for receipt of the forms, had been considered for his scrutiny.



- vii) Envelopes containing postal ballot forms received after closure of working hours on 13th February, 2015 had not been considered for his scrutiny.
- viii) On 16th February, 2015, Mr. Jagdishkumar G. Pillai, Managing Director & CEO announced the following results of the postal ballot as per the Scrutinizer's Report:

#### Details of Agenda

- I. Increasing the foreign investment limit in the Company up to 74% of the issued and paid-up capital.

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through physical Postal Ballots and Electronic Mode	592,331,700	592,331,325	100	375	0.00

## 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. The transactions mentioned under the Section of Notes to Accounts which forms a part of the Auditors' Report for the year ended 31st March, 2015 are non-material in nature.

### (b) Compliance by the Company:

There was no non-compliance by the Company and no penalties, strictures were imposed on the Company or its promoters 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 29th May, 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.

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 nominated as a Director on the Board of GTPL.

## 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 31st March, 2015.

## 9. MEANS OF COMMUNICATION:

- (i) The quarterly results of the Company are published in Aapla Mahanagar (Marathi Newspaper) and Financial Express (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](http://www.hathway.com) wherein the financial results, Annual Reports and other material for information of the investors are uploaded.
- (iii) The Management Discussion and Analysis Report is attached and forms part of this Annual Report.

**10. GENERAL SHAREHOLDERS' INFORMATION:**

<b>a.</b>	<b>Date, time and venue of Annual General Meeting of Shareholders</b>	11th August, 2015 at 3.00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai - 400 049.
<b>b.</b>	<b>Dates of book closures</b>	03rd August, 2015 to 05th August, 2015 (Both days inclusive)
<b>c.</b>	<b>Dividend Payment</b>	The Board of Directors of the Company has not recommended any dividend for the financial year ended 31st March, 2015.
<b>d.</b>	<b>Financial Calendar</b>	The Company follows April-March as its financial year. The results for every quarter beginning from April are declared as per the listing agreement.
<b>e.</b>	<b>Listing on stock exchanges</b>	National Stock Exchange of India Limited (Code : HATHWAY) BSE Limited (Code : 533162) ISIN : INE982F01036
<b>f.</b>	<b>Listing fees</b>	Paid for F.Y. 2015-2016 to both the stock exchanges wherein the shares of the Company are listed.
<b>g.</b>	<b>Registered office</b>	"Rahejas", 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai- 400 054. Tel: (022) 26001306 Fax: (022) 26001307
<b>h.</b>	<b>Registrar and Share Transfer agents</b>	Link Intime India Private Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 Tel : (022) 25963838 Fax : (022) 25946969
<b>i.</b>	<b>Share Transfer System</b>	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.
<b>j.</b>	<b>Plant Locations</b>	The Company is not engaged in manufacturing activities.

## K. Stock Market Price Data:

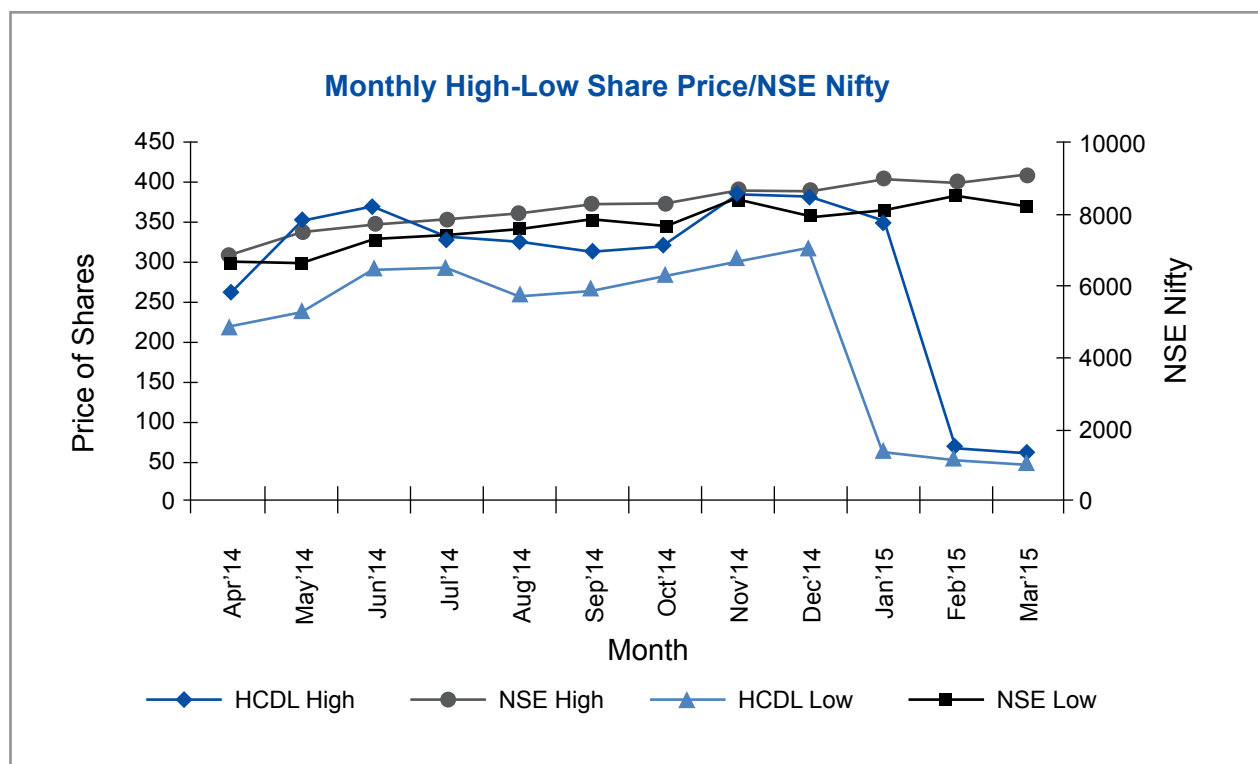
### National Stock Exchange of India Limited

Monthly High and Low of Closing prices of the Company's Equity Shares traded at National Stock Exchange of India Limited for the financial year ended 31st March, 2015 is given below:

#### Performance in comparison to NSE Nifty:

Month	NSE Nifty (High)	NSE Nifty (Low)	HCDL (High) In ₹	HCDL (Low) In ₹
April 2014	6869.85	6650.40	259.90	220.00
May 2014	7563.50	6638.55	348.35	239.05
June 2014	7700.05	7239.50	370.10	290.00
July 2014	7840.95	7422.15	335.00	296.00
August 2014	7968.25	7540.10	325.00	257.00
September 2014	8180.20	7841.80	314.00	266.05
October 2014	8330.75	7723.85	318.00	280.55
November 2014	8617.00	8290.25	379.00	302.10
December 2014	8626.95	7961.35	382.00	316.00
January 2015	8996.60	8065.45	354.30	62.15*
February 2015	8941.10	8470.50	64.80*	49.90*
March 2015	9119.20	8269.15	58.00*	45.20*

\* Post Stock Split



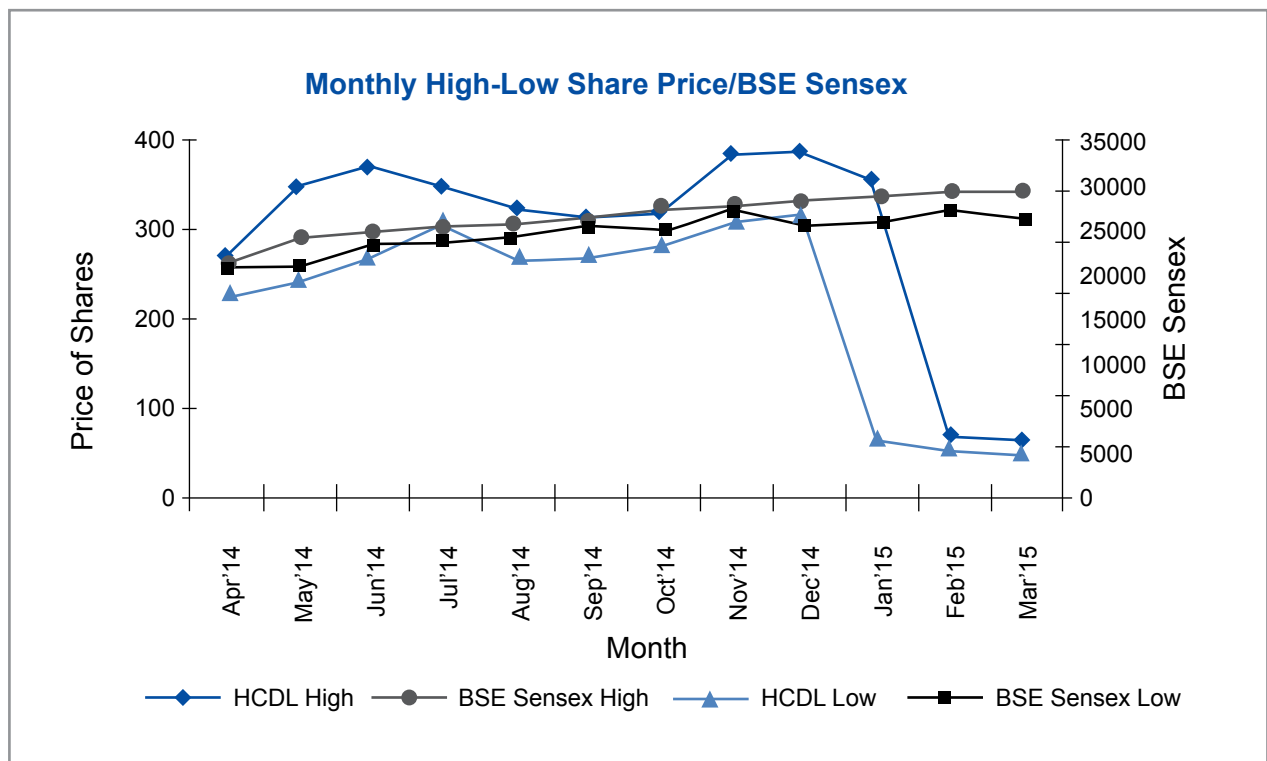
**BSE Limited**

Monthly High and Low of closing prices of the Company's Equity Shares traded at BSE Limited for the financial year ended 31st March, 2015 is given below:

**Performance in comparison to BSE Sensex:**

Month	BSE SENSEX (High)	BSE SENSEX (Low)	HCDL (High) In ₹	HCDL (Low) In ₹
April 2014	22939.31	22197.51	260.00	221.00
May 2014	25375.63	22277.04	347.00	240.15
June 2014	25725.12	24270.20	368.00	264.20
July 2014	26300.17	24892.00	344.00	301.00
August 2014	26674.38	25232.82	321.00	261.25
September 2014	27354.99	26220.49	311.25	267.00
October 2014	27894.32	25910.77	317.00	281.40
November 2014	28822.37	27739.56	385.60	305.00
December 2014	28809.64	26469.42	382.60	316.50
January 2015	29844.16	26776.12	354.80	62.00*
February 2015	29560.32	28044.49	64.30*	50.50*
March 2015	30024.74	27248.45	58.05*	45.50*

\* Post Stock Split



I. a) Distribution of Shareholding:

Range (in ₹)	No. of Shareholders	% of Total Share holders	Share Amount (₹)	% of Total Share Capital
1 -- 500	6,425	67.43	1,386,348	0.08
501 -- 1000	1,428	14.99	1,237,410	0.07
1001 -- 2000	751	7.88	1,249,844	0.08
2001 -- 3000	242	2.54	639,638	0.04
3001 -- 4000	243	2.55	914,796	0.06
4001 -- 5000	68	0.71	328,920	0.02
5001 -- 10000	161	1.69	1,277,158	0.08
10001 & above	211	2.21	1,653,954,886	99.57
<b>Total</b>	<b>9,529</b>	<b>100.00</b>	<b>1,660,989,000</b>	<b>100.00</b>

b) Category wise Distribution Schedule as on 31st March 2015:

Sr. No.	Category	No. of Shares held	%
1.	Promoters	240,966,000	29.01
2.	Corporate Bodies (Promoter Companies)	120,095,015	14.46
3.	Clearing Members	134,264	0.02
4.	Other Bodies Corporate	8,080,328	0.98
5.	Foreign Company	53,656,405	6.46
6.	Financial Institutions	2,457,439	0.29
7.	Foreign Institutional Investor	331,082,733	39.86
8.	Mutual Funds	53,144,034	6.40
9.	Nationalised Banks	0	0
10.	Non Resident Indians	11,277,465	1.35
11.	Non Resident Indians (Non Repatriable)	3,671,158	0.44
12.	Office Bearers	0	0
13.	Public	5,902,344	0.73
14.	Directors and Relatives of Director	27,315	0
	<b>Total</b>	<b>830,494,500</b>	<b>100.00</b>

m. Address for correspondence

For general Correspondence                      805/806, Windsor,  
Off C.S.T. Road,  
Kalina, Santacruz (E)  
Mumbai - 400098  
Tel: 022 67742500  
Fax: 022 67742400  
info@hathway.net ; investorgrievance@hathway.net

For matters related to Share                      Link Intime India Private Ltd.  
transfers, Dematerialization, etc.              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. Dematerialization of Shares and liquidity:**

The Shares of the Company are in demat segment and are available for trading in the depository systems of both the depositories. i.e. National Securities Depository Limited and Central Depository Services (India) Limited under the ISIN INE982F01036

As on 31st March, 2015, except 265 equity shares all the shares have been held in dematerialized 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 1st April, 2014		Details of Shareholders approached during the FY 2014-15 for claiming of shares		Details of Shareholders to whom the shares have been transferred during the FY 2014-15		Unclaimed Shares as on 31st March, 2015	
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	4375	Nil	Nil	Nil	Nil	11	4375

\* 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:

- Investors are requested to communicate change of address, if any, directly to the share transfer agent of the Company at the above address.
- 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 unauthorized persons.
- The Shareholders who still hold the shares in the physical mode are requested to convert their respective holding in Dematerialization form and get their e-mail id registered with the Company / Registrar & Share Transfer Agent, to enable the Company to send all the communications/correspondence through electronic mode.
- 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.
- 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.
- CODE OF CONDUCT DECLARATION**  
Pursuant to Clause 49 II (E) 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.

**JAGDISHKUMAR G. PILLAI**

**Managing Director & CEO**

DIN: 00036481

Place: Mumbai

Date: 29th May, 2015



TO,

The Members

**HATHWAY CABLE AND DATACOM LIMITED**

## **Corporate Governance Certificate**

We have examined the compliance of conditions of Corporate Governance by **HATHWAY CABLE AND DATACOM LIMITED** ("Company") for the financial year ended 31st March, 2015, 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: 29th May, 2015

Place: Mumbai

# INDEPENDENT AUDITOR'S REPORT

To The Members of HATHWAY CABLE & DATACOM LIMITED

## Report on the Standalone Financial Statements

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

## Management's Responsibility for the Standalone Financial Statements

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

## Auditor's Responsibility

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

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

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

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

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

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

## Opinion

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

## Emphasis of Matter

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

Our opinion is not qualified in respect of above matter.

## Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- As required by Section 143 (3) of the Act, we report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

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

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

**Viren Thakkar**  
Partner  
(Membership No. 49417)

Mumbai  
Dated: May 29, 2015

# ANNEXURE TO THE AUDITOR'S REPORT

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

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

(₹ in Crore unless otherwise stated)

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

<sup>1</sup> Amount paid is ₹ 1.15

<sup>2</sup> Amount paid is ₹ 0.23

<sup>3</sup> Amount paid is ₹ 0.15

<sup>4</sup> Amount demanded is fully paid

<sup>5</sup> ₹ 9.03 is paid as pre-deposit

<sup>6</sup> Amount paid ₹ 3.14

<sup>7</sup> Part payment made to department ₹ 1.99

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

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

(Firm Registration No.104767W)

**Viren Thakkar**

Partner

(Membership No. 49417)

Mumbai

Dated: May 29, 2015



# BALANCE SHEET

as at March 31, 2015

(₹ in Crore unless otherwise stated)

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

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**For and on behalf of the Board**

**VIREN THAKKAR**

Partner

Membership No : 49417

**GANAPATHY SUBRAMANIAM**

Chief Financial Officer

**JAGDISHKUMAR G PILLAI**

DIN : 00036481

Managing Director & C.E.O

**AJAY SINGH**

FCS - 5189

Company Secretary & Compliance Officer

**VINAYAK AGGARWAL**

DIN : 00007280

Director

Mumbai

Dated: May 29, 2015

Mumbai

Dated: May 29, 2015

**STATEMENT OF PROFIT AND LOSS**

for the year ended March 31, 2015

(₹ in Crore unless otherwise stated)

	Notes	Year ended March 31, 2015	Year ended March 31, 2014
<b>INCOME</b>			
Revenue from Operations	3.01	1,022.91	980.10
Other Income	3.02	14.49	7.70
		<b>1,037.40</b>	<b>987.80</b>
<b>EXPENDITURE</b>			
Purchase of Stock-In-Trade	3.03	0.19	13.01
Operational Expenses	3.04	595.66	547.09
Employee Benefits Expense	3.05	61.55	51.93
Other Expenses	3.06	226.05	184.49
		<b>883.45</b>	<b>796.52</b>
<b>Earnings before Finance cost, Depreciation, Amortization and Tax</b>		<b>153.95</b>	<b>191.28</b>
Depreciation and Amortization	3.07	222.88	202.29
Impairment of Tangible / Intangible Assets		4.10	8.07
Finance Cost	3.08	105.76	92.52
<b>Profit / (Loss) before Prior Period Items, Exceptional items and Tax</b>		<b>(178.79)</b>	<b>(111.60)</b>
Prior Period Expenses (Net)	4.08	0.27	3.05
Exceptional Items	3.09	(3.84)	10.60
<b>Net Profit / (Loss) before Tax</b>		<b>(175.22)</b>	<b>(125.25)</b>
Tax Expense:			
Current Tax		-	-
Deferred Tax	2.11	-	-
<b>Net Profit / (Loss) for the Year from Continuing Operations</b>		<b>(175.22)</b>	<b>(125.25)</b>
<b>Earnings per equity share (nominal value of share ₹ 2 each) from Continuing and Total Operation</b>	4.17		
Weighted Average Number of Shares - Basic		797,143,815	740,910,810
Earning / (Loss) Per Share (In ₹) - Basic		(2.20)	(1.69)
Weighted Average Number of Shares - Diluted		797,143,815	740,910,810
Earning / (Loss) Per Share (In ₹) - Diluted		(2.20)	(1.69)
<b>Summary of Significant Accounting Policies</b>	1.00		
<b>Refer accompanying notes. These notes are integral part of the financial statements.</b>			

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**VIREN THAKKAR**

Partner

Membership No : 49417

**GANAPATHY SUBRAMANIAM**

Chief Financial Officer

**AJAY SINGH**

FCS - 5189

Company Secretary &amp; Compliance Officer

**JAGDISHKUMAR G PILLAI**

DIN : 00036481

Managing Director &amp; C.E.O

**VINAYAK AGGARWAL**

DIN : 00007280

Director

Mumbai

Dated: May 29, 2015

**For and on behalf of the Board**

Mumbai

Dated: May 29, 2015

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FINANCIAL  
STATEMENTS

# CASH FLOW STATEMENT

for the year ended March 31, 2015

(₹ in Crore unless otherwise stated)

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

# CASH FLOW STATEMENT

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

(₹ in Crore unless otherwise stated)

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

**Note:**

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

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**VIREN THAKKAR**

Partner

Membership No : 49417

**GANAPATHY SUBRAMANIAM**

Chief Financial Officer

**AJAY SINGH**

FCS - 5189

Company Secretary &amp; Compliance Officer

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

DIN : 00036481

Managing Director &amp; C.E.O

**VINAYAK AGGARWAL**

DIN : 00007280

Director

Mumbai

Dated: May 29, 2015

Mumbai

Dated: May 29, 2015

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

## Company overview

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

## 1.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1.01 BASIS OF PREPARATION

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of operations, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

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

### 1.02 CHANGE IN ACCOUNTING POLICY

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

### 1.03 USE OF ESTIMATES

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

### 1.04 FIXED ASSETS

#### a) Tangible Assets

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

**b) Intangible Assets**

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

**1.05 DEPRECIATION / AMORTISATION**

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

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

**1.06 INVESTMENTS**

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

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

**a) Long-Term Investments**

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

**b) Current Investments**

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

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



## 1.07 INVENTORIES

### Inventories are valued as follows:

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

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

## 1.08 BORROWING COSTS

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

## 1.09 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

## 1.10 EMPLOYEE BENEFITS

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

## 1.11 EMPLOYEE STOCK OPTION SCHEME

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

## 1.12 ACCOUNTING FOR LEASES

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

### a) As Lessee – Operating Lease

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

### b) As Lessor – Operating Lease

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

**c) As Lessee – Finance Lease**

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

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

**1.13 REVENUE RECOGNITION**

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

**INCOME FROM SERVICES**

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

**SALE OF GOODS**

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

**OTHER OPERATING INCOME**

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

**INTEREST INCOME**

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

**1.14 TAXATION**

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

**1.15 FOREIGN CURRENCY TRANSACTIONS**

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

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

#### **1.16 EARNINGS PER SHARE (EPS)**

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

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

#### **1.17 IMPAIRMENT**

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

#### **1.18 MEASUREMENT OF EBITDA**

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

#### **1.19 CASH AND CASH EQUIVALENTS**

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

(₹ in Crore unless otherwise stated)

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

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

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

\* Holding was less than 5 %

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

#### Terms/ Rights attached to Equity Shares

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

### e) Shares reserved for issue under options

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

(₹ in Crore unless otherwise stated)

## 2.02 RESERVES & SURPLUS

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS

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

## NOTES TO THE FINANCIAL STATEMENTS

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

(₹ in Crore unless otherwise stated)

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

### (a) Nature of Security for secured borrowings :

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

(₹ in Crore unless otherwise stated)

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

# NOTES TO THE FINANCIAL STATEMENTS

## FIXED ASSETS

	Gross Block (at Cost)				Depreciation/Amortisation/Impairment				Net Block	
	As at 01-04-2014		As at 31-3-2015		As at 01-04-2014		As at 31-3-2015		As at 31-3-2015	
	As at	Additions during the year	Deductions during the year	Other Adjustments*	As at	Additions during the year**	Deductions during the year	Other Adjustments*	As at	As at
<b>2.08 TANGIBLE ASSETS</b>										
<b>Own Assets:</b>										
Plant and Machinery	1,417.36	234.43	183.15	18.46	507.51	217.97	179.14	(54.82)	491.52	909.85
Air Conditioners	4.27	1.03	-	-	2.20	0.83	-	0.18	3.21	2.09
Structural Fittings	2.61	0.30	0.09	-	0.98	0.66	0.07	0.38	1.95	0.87
Furniture & Fixtures	11.86	2.68	0.03	-	7.50	0.87	0.02	(0.68)	7.67	6.84
Mobile, Pagers & Telephones	1.75	0.10	-	-	1.28	0.24	-	0.07	1.59	0.46
Computers	13.40	2.27	0.09	-	11.62	0.78	0.08	(0.07)	12.25	3.33
Office Equipments	2.89	0.30	-	-	1.52	0.53	-	0.16	2.21	0.98
Electrical Fittings	3.22	0.74	0.02	-	1.93	0.31	0.01	(0.09)	2.14	1.38
Motor Vehicles	1.37	0.31	0.08	-	1.00	0.13	0.07	(0.13)	0.93	0.37
Movie Master Tapes	0.18	-	-	-	0.17	-	-	-	0.17	0.01
	<b>1,458.91</b>	<b>242.16</b>	<b>183.46</b>	<b>18.46</b>	<b>535.71</b>	<b>222.32</b>	<b>179.39</b>	<b>(55.00)</b>	<b>523.64</b>	<b>1,012.43</b>
<b>Assets Taken on Finance Lease:</b>										
Plant and Machinery	201.45	-	-	(18.46)	30.48	18.57	-	(9.01)	40.04	142.95
	<b>201.45</b>	<b>-</b>	<b>-</b>	<b>(18.46)</b>	<b>30.48</b>	<b>18.57</b>	<b>-</b>	<b>(9.01)</b>	<b>40.04</b>	<b>170.96</b>
<b>Total</b>	<b>1,660.36</b>	<b>242.16</b>	<b>183.46</b>	<b>-</b>	<b>566.19</b>	<b>240.90</b>	<b>179.39</b>	<b>(64.01)</b>	<b>563.68</b>	<b>1,155.38</b>
<b>Previous Year</b>	<b>1,257.57</b>	<b>475.59</b>	<b>72.81</b>	<b>-</b>	<b>448.34</b>	<b>188.20</b>	<b>70.35</b>	<b>-</b>	<b>566.19</b>	<b>1,094.16</b>
<b>Capital Work in Progress:</b>										
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>156.60</b>
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>228.98</b>

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

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

	Gross Block (at Cost)				Depreciation/Amortisation/Impairment				Net Block	
	As at 01-04-2014		As at 31-3-2015		As at 01-04-2014		As at 31-3-2015		As at 31-3-2015	
	As at	Additions during the year	Deductions during the year	Other Adjustments*	As at	Additions during the year**	Deductions during the year	Other Adjustments*	As at	As at
<b>2.09 INTANGIBLE ASSETS</b>										
Goodwill	32.15	-	-	-	26.49	0.74	-	-	27.23	4.92
Cable Television Franchisee	73.08	2.53	-	-	33.14	5.37	-	-	38.50	37.11
Movie & Serial Rights	6.93	11.89	-	-	5.92	3.89	-	-	9.81	1.01
Softwares	69.77	25.67	-	-	24.18	17.70	-	-	41.89	53.55
Bandwidth Rights	14.14	3.13	-	-	3.41	1.35	-	-	4.76	12.51
<b>Total</b>	<b>196.07</b>	<b>43.22</b>	<b>-</b>	<b>-</b>	<b>93.14</b>	<b>29.05</b>	<b>-</b>	<b>-</b>	<b>122.19</b>	<b>117.10</b>
<b>Previous Year</b>	<b>159.32</b>	<b>38.06</b>	<b>1.31</b>	<b>-</b>	<b>72.30</b>	<b>22.15</b>	<b>1.31</b>	<b>-</b>	<b>93.14</b>	<b>102.93</b>

Note :

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 2.10 NON-CURRENT INVESTMENT

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



## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

## Fully provided for

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 2.11 DEFERRED TAX ASSETS (NET)

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

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

(₹ in Crore unless otherwise stated)

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

(₹ in Crore unless otherwise stated)

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

(₹ in Crore unless otherwise stated)

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

(₹ in Crore unless otherwise stated)

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 2.16 INVENTORIES

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

(₹ in Crore unless otherwise stated)

### 2.17 CASH AND BANK BALANCES

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

(₹ in Crore unless otherwise stated)

### 3.01 REVENUE FROM OPERATIONS

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

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

(₹ in Crore unless otherwise stated)

### REVENUE FROM INTERNET SERVICES

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

(₹ in Crore unless otherwise stated)

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

(₹ in Crore unless otherwise stated)

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

(₹ in Crore unless otherwise stated)

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

(₹ in Crore unless otherwise stated)

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



## NOTES TO THE FINANCIAL STATEMENTS

### 3.08 FINANCE COST

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

(₹ in Crore unless otherwise stated)

### 3.09 EXCEPTIONAL ITEMS \*

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

\* Refer Note 4.5

### 4.01 CONTINGENT LIABILITIES

(₹ in Crore unless otherwise stated)

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

- f) Entertainment Tax Officer, Pune has raised demand for Entertainment Tax on secondary points up to October, 2014 amounting to ₹ 4.57. Writ petition has been filed before the Bombay High Court challenging the demand. Another writ petition has also been filed challenging the constitutional validity, enforceability and legality of the amendment in the Maharashtra Entertainments Duty Act, 1923 brought about w e f June 25, 2014.
- g) Karnataka VAT Department has reassessed VAT liabilities for the financial Years 2011-12, 2012-13 and 2013-14 stating that the amount realized as activation charges is sale of STBs and liable to VAT. The total tax liability is determined at ₹ 10.28. The honorable High Court has admitted the writ petition and has granted an order of stay over recovery of taxes.
- h) Income Tax Matters

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

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

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

### 4.02 CAPITAL AND OTHER COMMITMENTS:

Estimated amount of contracts (including acquisition of intangible assets net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ 64.26 (March 31, 2014: ₹122.67).

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

### 4.03 MATTERS RELATING TO SUBSIDIARIES:

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

### 4.05 EXCEPTIONAL ITEMS

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

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

### 4.06 OUTSTANDING LETTER OF CREDIT :

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

### 4.07 EMPLOYEE STOCK OPTION PLAN

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

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

### Shares Underlying Options Outstanding

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 4.08 PRIOR PERIOD ITEMS

Detail of Prior Period Income and Expenses is as under:

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

### 4.09 EMPLOYEE BENEFITS

#### a) Defined Benefit Plans:

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

**b) Defined Contribution Plans:**

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

**c) Other Disclosures :**

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



## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 4.10 SEGMENTAL REPORTING

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

### 4.11 RELATED PARTY DISCLOSURES

#### Particulars of Related Parties

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

#### i) Under Control of the Company

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

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

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

### B) Related Party Transactions

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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



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(₹ in Crore unless otherwise stated)

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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(₹ in Crore unless otherwise stated)

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

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

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

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

<sup>^</sup> Interest levied on ₹ NIL (March 31, 2014 ; ₹ 1.28)

<sup>^^</sup> Interest levied on ₹ 0.57 (March 31, 2014 ; ₹ 0.57)

<sup>^^^</sup> Interest levied on ₹ 0.07 (March 31, 2014 ; ₹ 0.07)

<sup>^^^^</sup> Interest levied on ₹ 0.27 (March 31, 2014 ; ₹ 0.75)

<sup>^^^^^</sup> Interest levied on ₹ 1.43 (March 31, 2014 ; ₹ 1.43)

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 4.15 LEASES

#### (a) Finance Leases (As Lessee):

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

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

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

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

**Details of Non-Cancellable Leases are as under.**

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

**Details of Cancellable Leases are as under:**

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

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

#### (c) Operating Leases (As Lessor):

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

### 4.17 EARNINGS \ (LOSS) PER SHARE

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

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

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

### 4.18 JOINT VENTURES

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

- a. Hathway Sukhamrit Cable and Datacom Private Limited\*

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

### 4.19 DEFERRAL/CAPITALIZATION OF EXCHANGE DIFFERENCES

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 4.22 UNHEDGED FOREIGN CURRENCY EXPOSURE

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

4.23 Rupees figures are mentioned in Crore unless otherwise stated.

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

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

Unutilised Balance has been invested as stated below:

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

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

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

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

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**For and on behalf of the Board**

**VIREN THAKKAR**

Partner

Membership No : 49417

**GANAPATHY SUBRAMANIAM**

Chief Financial Officer

**JAGDISHKUMAR G PILLAI**

DIN : 00036481

Managing Director & C.E.O

**AJAY SINGH**

FCS - 5189

Company Secretary & Compliance Officer

**VINAYAK AGGARWAL**

DIN : 00007280

Director

Mumbai

Dated: May 29, 2015

Mumbai

Dated: May 29, 2015

# INDEPENDENT AUDITOR'S REPORT

To The Members of HATHWAY CABLE & DATACOM LIMITED

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **HATHWAY CABLE & DATACOM LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities (as defined in the Companies (Accounting Standards) Rules, 2006), comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Governing Bodies of the entities included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

## Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are

required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

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

## Emphasis of Matter

We draw attention to:

- a) Note no. 4.02A(i) and 4.02A(v) to consolidated financial statements regarding exclusion of certain entities by

the management from consolidation on account of outstanding disputes and also considering the fact that the amount invested and advanced by the Company to these entities have been impaired;

- b) Note no. 4.02A(ii) and 4.02A(iv) to consolidated financial statements regarding exclusion of certain joint ventures partnership firms of one of the subsidiary and of certain step-down subsidiaries of the Company from consolidation since the date from which such subsidiary and certain step-down subsidiaries became partner on account of criteria of effective joint control could not be fulfilled;
- c) Note no. 4.21 to consolidated financial statements to the consolidated financial statements relating to manner and basis of recognition of subscription income in respect of Cable Television business; and
- d) As stated in Note no. 4.02B to the consolidated financial statements relating to non-availability of audited financial statements of seven subsidiaries the consolidated financial statements are prepared considering the provisional management accounts of these subsidiaries. Such management accounts of these subsidiaries reflect total assets of ₹131.46 crores as on March 31, 2015 and total revenues of ₹ 87.48 crores and net cash inflows amounting to ₹ 3.17 crores for the year ended on that date, as considered in these consolidated financial statements. Amounts and disclosures included in respect of these subsidiaries, is based solely on the unaudited information provided by the management of the Company.

Our opinion is not qualified in respect of these matters.

#### Other Matters

- a) We did not audit the financial statements / consolidated financial statements of twenty eight subsidiaries, whose audited financial statements / consolidated financial statements reflect total assets of ₹ 1212.93 crores as on March 31, 2015 and total revenues of ₹ 703.75 crores and net cash inflows amounting to ₹ 22.68 crores for the year ended March 31, 2015, as considered in the preparation of the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of other auditors.
- b) Apart from above, as stated in Note no. 4.02 B of the consolidated financial statement and para (d) of the

Emphasis of the matter paragraph above, we did not audit the financial statements / consolidated financial statements of seven subsidiaries, whose financial statements / consolidated financial statements reflect total assets of ₹131.46 crores as on March 31, 2015 and total revenues of ₹87.48 crores and net cash inflows amounting to ₹3.17 crores for the year ended March 31, 2015, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of the Holding Company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section (3) of Section 143 of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated



Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account, working and records maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled Entities incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of sub-section (2) of the Section 164 of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities— Refer Note 4.11 to the consolidated financial statements;
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer Note 4.24 to the consolidated financial statements in respect of such items; and
- iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled Entities incorporated in India.

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

(Firm Registration No.104767W)

**Viren Thakkar**

Partner

Mumbai

Dated: May 29, 2015

(Membership No. 49417)



# ANNEXURE TO THE AUDITOR'S REPORT

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

With respect to Hathway Cable and Datacom Ltd ("Holding Company"), its subsidiaries, associate companies and jointly controlled companies incorporated in India to whom the provisions of the Order apply (hereinafter collectively referred to as "covered companies"), we report as follows:

i. (a) The covered companies have maintained records of fixed assets showing particulars of assets including quantitative details and location except in case of certain types of distribution equipments like cabling, line equipments, access devices with subscribers. As explained to us by the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;

(b) Distribution equipments like cabling and other line equipments of selected networks were verified. The management of covered companies plans to verify balance networks in a phased manner. Fixed assets, other than distribution equipments and access devices with the subscribers / local cable operators were physically verified during the year based on revised verification programme adopted by the management of covered companies. As per this programme, certain categories of assets were verified and balance will be verified in subsequent two years. The management of Holding Company has represented that physical verification of access devices with the subscribers / local cable operators is impractical, however, the same can be tracked, in case of most of the networks, through subscribers management system;

The covered companies have initiated the process of reconciliation of book records with outcome of physical verification, wherever physical verification was carried out and have accounted for the discrepancies observed on such verification.

In our opinion, in case of the Holding Company the frequency and procedure for verification of distribution equipments and certain Head-end Equipments under the control of local cable operators and subsequent reconciliation with book records need to be strengthened;

ii. (a) The inventories have been physically verified by the management of covered companies 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 of covered companies 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 covered companies are maintaining proper records of such inventory. We have been informed that discrepancies observed on physical verification between the stocks and the book records were not material;

iii. The Holding Company and one of the subsidiary viz. Hathway Datacom Central Private Limited has granted unsecured loan to companies covered in the register maintained under section 189 of the Act. In respect of these loans, the recovery of principal and interest amount has not fallen due;

iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system with regards to purchases of the inventory and fixed assets and sale of goods and services. The management of the holding Company 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 respective covered company and the nature of its business. During the course of our audit, we and other respective statutory auditors of covered companies have not observed any other continuing failure to correct major weakness in internal controls;

v. In our opinion and according to the information and explanation given to us, the covered companies have not accepted deposits from the public and therefore, the provisions contained in sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under are not applicable to the covered companies. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal;

vi. The Central Government has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of certain service activities of the Company. We and other respective statutory auditors have broadly reviewed the accounts and records of respective companies in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained by the respective companies. However, a detailed examination of the records has not been made by us or the statutory auditors of the respective companies with a view to determine whether they are accurate or complete;

- vii. (a) According to the information and explanations given to us and based on the records produced before us, the covered companies are regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues and there are no amounts outstanding as at March 31, 2015 for a period of more than six months from the date they become payable, except in the following subsidiaries;

(₹ in Crore unless otherwise stated)

Name of the Subsidiaries	Statutory Dues	Amount
Hathway Digital Saharanpur Cable and Datacom Private Limited	Additional License Fees Payable (Local Channel)	0.02
UTN Cable Communication Private Limited	Income Tax (TDS)	0.29
	Entertainment Tax	0.57
Hathway Krishna Cable Private Limited	Entertainment Tax	0.18
	Income Tax (TDS)	0.17

- (b) According to the information and explanation given to us, the details of dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise or cess which have not been deposited with the concerned authorities on account of dispute are given below:

**Hathway Cable & Datacom Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Bombay Entertainments Duty Act, 1923	Entertainment Tax & penalty thereon, Thane	Entertainment Tax Department, Thane	June 2006 to May 2007	0.89
2	Bombay Entertainments Duty Act, 1923	Entertainment Tax	Court of Divisional Commissioner, Aurangabad division	May 2009 to October 2010	1.59 <sup>1</sup>
3	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Andhra Pradesh High Court	May 2005 to June 2006	0.58
4	Uttar Pradesh Entertainment Tax Rules	Entertainment Tax	District Magistrate, Agra	July 2013 - January 2014 and April 2014 - September 2014	1.38
5	Uttar Pradesh Entertainment and Betting Act, 1979	Entertainment Tax	District Magistrate, Ghaziabad	April 2013 to January 2014	1.41
6	The Maharashtra Value Added Tax, 2002	Value Added Tax	Maharashtra VAT Tribunal	April 2008 to March 2009	0.68 <sup>2</sup>
7	The Maharashtra Value Added Tax, 2002	Value Added Tax	Maharashtra VAT Tribunal	April 2010 to March 2011	3.01 <sup>3</sup>
8	Finance Act, 1994	Service Tax	Service Tax Department	April 2003 to March 2004	0.16
9	Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyapan Kar Adhinyam, 2011	Commercial Taxes	Settlement Authority	July 01, 2011 to March 17, 2012	0.81 <sup>4</sup>

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
10	Andhra Pradesh Value Added Tax, 2005	Value Added Tax	Sales Tax Appellate Tribunal, Andhra Pradesh	April 2008 to March 2009	18.05 <sup>5</sup>
11	Delhi Entertainment & Betting Tax Act, 1966	Entertainment Tax	Delhi High Court	April 2013 to May 2013	5.95 <sup>6</sup>
				June 2013 to March 2014	27.22
				April 2014 to March 2015	33.61
				December 2013 to September 2014	9.70
12	Maharashtra Entertainments Duty Act, 1923	Entertainment Tax	Writ Petition to Bombay High Court	Upto October,2014	4.57
13	The Karnataka Entertainments Tax Act, 1958	Value Added Tax	Writ Petition to Karnataka High Court	2011-12, 2012-13, 2013-14	10.28
14	Income Tax Act,1961	Tax Deducted at Source & interest thereon	Commissioner of Income Tax(Appeals)	April 2000 to March 2004	3.99 <sup>7</sup>
15	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Commissioner of Commercial Tax, Hyderabad	2009-10 to 2013-14	3.06 <sup>4</sup>
16	Bombay Sales Tax Act, 1959	Sales Tax	Assistant Comm. Of Sales Tax, Appeals	1999-2000	0.007

<sup>1</sup>Amount paid is ₹ 1.15<sup>2</sup>Amount paid is ₹ 0.23<sup>3</sup>Amount paid is ₹ 0.15<sup>4</sup>Amount demanded is fully paid<sup>5</sup>₹ 9.03 is paid as pre-deposit<sup>6</sup>Amount paid ₹ 3.14<sup>7</sup>Part payment made to department ₹ 1.99**GTPL Kolkata Cable and Broadband Pariseva Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	West Bengal Value Added Tax	VAT	Sr. Joint Commissioner, Sales Tax , W.B	2011-2012	3.15

**Hathway Bhaskar Multinet Private Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Rajasthan Monaranjan & Vigyapan Kar Adhiniyam, 1957	Entertainment Tax	Appeal to be filed before Hon'ble Supreme Court of India	March 2006 to December 2006	4.00
2	Rajasthan Monaranjan & Vigyapan Kar Adhiniyam, 1957	Entertainment Tax	Rajasthan Tax board	January 2007 to March 2011	25.67
3	Madhya Pradesh Vilasita Monaranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011	Entertainment Tax	Hon'ble High Court of Madhya Pradesh Indore Bench	April 01, 2011 to February 27, 2012	7.95

**Hathway Gwalior Cable and Datacom Private Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Madhya Pradesh Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011	Entertainment Tax	The Commercial Tax Officer, Professional Tax Circle, Gwalior	2011-12	0.27
2	Madhya Pradesh Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011	Entertainment Tax	Commissioner-Commercial Tax, Member Secretary, Settlement Authority, M.G. Road, Indore	2011-12	0.81

**Hathway Krishna Cable Private Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Income Tax Act 1961	Income Tax	CIT (A) Mumbai	2001-02 2004-05	0.13 <sup>8</sup>

<sup>8</sup>Amount Paid ₹ 0.07**Hathway Software Developers Private Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Income Tax Act 1961	Income Tax	CIT Appeal - 2 Mumbai	2010-11	0.04

**Hathway ICE Television Private Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Income Tax Act, 1961	Tax deducted at source and interest thereon	Income Tax Officer - TDS, Allahabad	2009-10	0.00 (₹ 35,100)
2	Income Tax Act, 1961	Tax deducted at source and interest thereon	Income Tax Officer - TDS, Allahabad	2010-11	0.00 (₹ 15,720)

**UTN Cable Communication Private Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Income Tax Act 1961	Income Tax	ITAT , Bangalore	2008-09	0.01
2	Income Tax Act 1961	Income Tax	CIT (A) III, Bangalore	2010-11	0.76

**Hathway C-Net Private Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Income Tax Act 1961	Income Tax	ITAT , Mumbai	2001-02 to 2004-05	0.07

**Win Cable and Datacom Private Limited**

(₹ in Crore unless otherwise stated)

Sr. No.	Name of Statute	Nature of Dues	Forum where dispute is Pending	Period to which it relates	Demand Amount
1	Income Tax Act 1961	Income Tax	ITAT , Mumbai	2001-02 to 2004-05	4.23

- (c) According to the information and explanation given to us, no amounts were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder. Therefore, the provisions of clause (vii)(c) of paragraph 3 of the Order relating to transfer of amount to investor education and protection fund is not applicable;
- viii. On a consolidated basis, the Holding Company, its subsidiaries and jointly controlled company have accumulated losses at the end of the year which are not less than fifty percent of Net worth of the Group and have neither incurred cash losses during the financial year covered by our audit nor in the immediately preceding financial year;
- ix. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that none of the covered companies have defaulted in repayment of dues to the financial institutions and banks;
- x. According to the information and explanations given to us, none of the covered companies, except Holding Company and one of the subsidiaries viz. GTPL Hathway Private Limited, have given any guarantee for loans taken by others from banks or financial institutions. The Holding Company and the said subsidiary has given guarantee for loans taken by other group companies from a bank and others, the terms and conditions whereof, as explained to us, are not prima facie prejudicial to the interest of the respective companies;

- xi. Based on information and explanation given to us and based on overall review of the funds utilization, we are of the view that the covered companies have generally utilized funds for which they were obtained. However, in case of Holding Company, pending such utilization these funds have been temporarily utilized to reduce the short-term borrowings; and
- xii. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of audit by respective auditors of the covered companies except cases of

misappropriation of cash collection from the subscribers and fraudulent withdrawals of funds by employees aggregating to ₹ 0.02 crores.

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

**Viren Thakkar**

Partner

Mumbai

Dated: May 29, 2015

(Membership No. 49417)

# CONSOLIDATED BALANCE SHEET

as at March 31, 2015

(₹ in Crore unless stated otherwise)			
	Notes	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2.01	166.10	152.00
Reserves and Surplus	2.02	1,044.32	807.30
<b>Minority Interest</b>		241.93	225.05
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	2.03	839.30	1,014.28
Deferred Tax Liability	2.04	30.26	22.93
Other Long-Term Liabilities	2.05	20.71	18.86
Trade Payables	2.08	0.21	-
Long-Term Provisions	2.06	4.53	2.20
<b>Current Liabilities</b>			
Short-Term Borrowings	2.07	173.64	107.28
Trade Payables	2.08	348.78	244.63
Other Current Liabilities	2.08	810.72	809.79
Short-Term Provisions	2.06	10.35	13.67
		<b>3,690.85</b>	<b>3,417.99</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	2.09	1,777.28	1,644.95
Intangible Assets	2.10	259.34	254.75
Capital Work In Progress	2.09	167.51	257.76
Goodwill on Consolidation	4.06	236.02	229.11
Non-Current Investments	2.11	14.88	8.71
Deferred Tax Assets	2.12	5.87	5.69
Trade Receivables	2.13	4.44	26.31
Long-Term Loans and Advances	2.14	151.66	130.72
Other Non-Current Assets	2.15	65.00	65.58
<b>Current Assets</b>			
Current Investments	2.16	89.14	-
Inventories	2.17	7.89	3.44
Trade Receivables	2.13	566.80	520.61
Cash and Bank Balances	2.18	105.62	44.04
Short-Term Loans & Advances	2.14	200.66	215.68
Other Current Assets	2.15	38.74	10.64
		<b>3,690.85</b>	<b>3,417.99</b>
<b>Summary of Significant Accounting Policies</b>	1.00		
<b>Refer accompanying notes. These notes are integral part of the financial statements.</b>			

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

**For and on behalf of the Board**

**VIREN THAKKAR**  
 Partner  
 Membership No : 49417

**GANAPATHY SUBRAMANIAM**  
 Chief Financial Officer

**JAGDISHKUMAR G PILLAI**  
 DIN : 00036481  
 Managing Director & C.E.O

**AJAY SINGH**  
 FCS - 5189  
 Company Secretary & Compliance Officer

**VINAYAK AGGARWAL**  
 DIN : 00007280  
 Director

Mumbai  
 Dated: May 29, 2015

Mumbai  
 Dated: May 29, 2015



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

(₹ in Crore unless stated otherwise)

	Notes	Year ended March 31, 2015	Year ended March 31, 2014
<b>INCOME</b>			
Revenue from Operations	3.01	1,831.60	1,582.91
Other Income	3.02	27.14	10.50
		<b>1,858.74</b>	<b>1,593.41</b>
<b>EXPENDITURE</b>			
Purchase of Stock-In-Trade	3.03	0.77	13.85
Changes in Stock-In-Trade (₹ 76,666 (March 31,2014 : ₹ -27,466))	3.04	0.00	(0.00)
Operational Expenses	3.05	1,086.86	898.50
Employee Benefits Expense	3.06	152.24	122.46
Other Expenses	3.07	331.80	246.70
		<b>1,571.67</b>	<b>1,281.51</b>
<b>Earnings before Finance cost, Depreciation, Amortization and Tax</b>		<b>287.07</b>	<b>311.90</b>
Depreciation and Amortization	3.08	323.83	291.24
Impairment of Tangible / Intangible Assets		4.10	8.05
Goodwill on Consolidation Written Off		3.77	-
Finance Cost	3.09	153.50	134.51
<b>Profit / (Loss) before Prior Period Items, Exceptional items and Tax</b>		<b>(198.13)</b>	<b>(121.90)</b>
Prior Period Expenses (Net)	4.08	(0.92)	2.57
Exceptional Items	3.10	(50.65)	-
<b>Net Profit / (Loss) before Tax</b>		<b>(146.56)</b>	<b>(124.47)</b>
Tax Expense:			
Current Tax		22.06	15.70
MAT Credit		(0.06)	-
Deferred Tax		5.04	0.55
Excess/Short provision for taxation for earlier years		0.93	(0.02)
<b>Net Profit / (Loss) for the Year</b>		<b>(174.54)</b>	<b>(140.70)</b>
Amount transferred on change in stake in Subsidiaries/ Joint Ventures		7.62	20.81
Minority Interest		(13.94)	8.79
Profit/ (Loss) Share of Associates		0.40	(0.01)
<b>Net Profit / (Loss) for the Year</b>		<b>(180.46)</b>	<b>(111.11)</b>
<b>Earnings per equity share (nominal value of share ₹ 2 each)</b>	4.17		
Weighted Average Number of Shares - Basic		797,143,815	740,910,810
Earning / (Loss) Per Share (In ₹) - Basic		(2.26)	(1.50)
Weighted Average Number of Shares - Diluted		797,143,815	740,910,810
Earning / (Loss) Per Share (In ₹) - Diluted		(2.26)	(1.50)
<b>Summary of Significant Accounting Policies</b>	1.00		
<b>Refer accompanying notes. These notes are integral part of the financial statements.</b>			

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

**VIREN THAKKAR**  
 Partner  
 Membership No : 49417

**GANAPATHY SUBRAMANIAM**  
 Chief Financial Officer

**AJAY SINGH**  
 FCS - 5189  
 Company Secretary & Compliance Officer

Mumbai  
 Dated: May 29, 2015

**For and on behalf of the Board**

**JAGDISHKUMAR G PILLAI**  
 DIN : 00036481  
 Managing Director & C.E.O

**VINAYAK AGGARWAL**  
 DIN : 00007280  
 Director

Mumbai  
 Dated: May 29, 2015

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# CONSOLIDATED CASH FLOW STATEMENT

for the year ended march 31, 2015

(₹ in Crore unless otherwise stated)

	Year ended March 31, 2015	Year ended March 31, 2014
<b>1 CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>NET PROFIT / (LOSS) BEFORE TAX</b>	(152.48)	(94.88)
<b>A Adjustment for :</b>		
<b>1 Non Cash Charges</b>		
Depreciation / Amortisation / Impairment	327.93	299.30
Goodwill on consolidation written off	3.77	0.00
Provision for Bad & Doubtful Debts	61.17	55.63
Bad Debts (Net)	19.52	0.11
Provision for Bad & Doubtful Advances	1.66	1.47
Amount no longer payable written back	(0.74)	(0.76)
Share of (Profit) / Loss in Partnership firms / associates	(0.40)	0.01
Share of Loss from Body Corporate	1.82	0.00
Provision / (Excess Provision Reversed) for leave encashment and gratuity	0.76	(0.79)
Preliminary Exp. Written off	0.08	0.00
Unrealised Foreign Exchange Loss	(0.03)	11.52
Sundry Advances Written off	0.24	0.30
Provision for diminution in value of Investments	-	0.88
Employee Compensation Expense	(0.70)	0.00
Amount transferred on change in stake in Subsidiaries/ Joint Ventures	(7.62)	(20.80)
Minority Interest	13.94	(8.79)
<b>Exceptional Items</b>		
- Depreciation reversal on account of change in method from WDV to SLM and change in estimate of life as per Schedule II of Companies Act, 2013	(83.82)	0.00
- Marked down in value of Certain Assets towards abnormal wear and tear	29.69	0.00
- Provision for Entertainment Tax of earlier years	3.07	0.00
- Provision for Impairment of Tangible Assets	0.41	0.00
<b>2 Item Considered Separately</b>		
(Profit) / loss on sale of Fixed Assets	3.00	4.49
(Profit) / loss on sale of Investments	(7.24)	(2.45)
Interest and Finance Charges	128.62	125.48
Foreign Exchange difference to the extent considered as an adjustment to finance cost	2.34	0.00
Mark to Market Losses on Derivatives (Net)	5.27	0.00
Income from Investments	(8.90)	(5.09)
	<b>493.84</b>	<b>460.51</b>
<b>Operating Profit Before Working Capital</b>	<b>341.36</b>	<b>365.63</b>
<b>B CHANGE IN WORKING CAPITAL</b>		
(Increase) / Decrease in Inventories	(4.45)	24.04
(Increase) / Decrease in Trade Receivable	(105.01)	(244.48)
(Increase) / Decrease in Loans & Advance & Other Assets	(24.28)	(88.08)
Increase / (Decrease) in Minority Interest, Liabilities & Provisions	66.86	212.94
	<b>(66.88)</b>	<b>(95.58)</b>
<b>Cash Generated from Operations</b>	<b>274.48</b>	<b>270.05</b>
<b>Taxes paid (Net)</b>	<b>(48.19)</b>	<b>(36.10)</b>
<b>Net Cash from Operation Activities</b>	<b>226.29</b>	<b>233.95</b>

# CONSOLIDATED CASH FLOW STATEMENT

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

(₹ in Crore unless otherwise stated)

	Year ended March 31, 2015	Year ended March 31, 2014
<b>2 CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Income from Investments	7.54	4.08
Share Application money given	(5.00)	-
Sale Proceeds of Fixed assets	3.68	0.32
Loans & Advances (Net)	(7.24)	2.82
Payment for Fixed Assets (Net)	(440.84)	(837.24)
Purchase of Other Investments	(950.82)	(190.40)
Sale Proceeds of Other Investment	870.37	191.46
<b>Net cash Realised from Investing Activities</b>	<b>(522.30)</b>	<b>(828.96)</b>
<b>3 CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest and Finance Charges	(127.91)	(118.77)
Issue of Share Capital (Including Premium)	451.2	249.45
Share Issue expenses	(4.62)	(1.79)
Proceeds from Long term borrowings (Net)	(28.86)	420.31
Short Term Borrowing (Net)	66.37	31.09
<b>Net cash Realised from Financing Activities</b>	<b>356.17</b>	<b>580.29</b>
Net increase in Cash and Cash equivalent	<b>60.15</b>	<b>(14.72)</b>
Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year	<b>31.28</b>	<b>46.00</b>
Cash & Cash equivalents (Net of Book Overdraft) at the end of year	<b>91.45</b>	<b>31.28</b>
<b>Components of cash and cash equivalents</b>		
Balances with banks:		
In Current Accounts	57.78	16.79
Credit balance in Bank Accounts	-	(1.77)
Fixed Deposits with original maturity of less than 3 months	0.54	0.68
Cheques on hand	18.88	1.54
Cash in hand	14.25	14.04
Mutual funds with original maturity of less than 3 months		
<b>Total of cash and cash equivalents</b>	<b>91.45</b>	<b>31.28</b>

**Note:**

- 1) Above Statement has been prepared by using Indirect Method as per AS - 3 on Cash Flow Statements.
- 2) Figures have been regrouped/ rearranged wherever necessary.

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

**VIREN THAKKAR**  
 Partner  
 Membership No : 49417

**GANAPATHY SUBRAMANIAM**  
 Chief Financial Officer

**AJAY SINGH**  
 FCS - 5189  
 Company Secretary & Compliance Officer

Mumbai  
 Dated: May 29, 2015

**For and on behalf of the Board**

**JAGDISHKUMAR G PILLAI**  
 DIN : 00036481  
 Managing Director & C.E.O

**VINAYAK AGGARWAL**  
 DIN : 00007280  
 Director

Mumbai  
 Dated: May 29, 2015

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# 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, 2015. The Consolidated Financial Statement comprises of Hathway Cable and Datacom Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), its associates and jointly controlled entities (as defined in the Companies (Accounting Standards) Rules, 2006).

## Company overview

Hathway Cable and Datacom Limited 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 BASIS OF PREPARATION

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of operations, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

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

### 1.02 CHANGE IN ACCOUNTING POLICY

In the current year, the company changed, with retrospective effect, its method of providing depreciation on certain fixed assets from the Written Down Value (WDV) method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line (SLM) method at the rates derived from the useful life stated in Schedule II to the Act. The above change is in case of all fixed assets except Set Top Boxes and Internet access devices at customers location. In case of later, depreciation is provided over 8 years on SLM. Refer note no. 4.26 also.

### 1.03 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 recognized 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 unrealized 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.

### 1.04 USE OF ESTIMATES

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

### 1.05 FIXED ASSETS

#### a) Tangible Assets

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

#### b) Intangible Assets

- (i) Intangible assets comprises of Cable Television Franchise, Movie & Serial Rights, Bandwidth Rights, Goodwill and Softwares. Cable Television Franchisee represents purchase consideration of a network which is mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.

- (ii) Intangible assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortization and impairment losses.
  - (iii) The amortization period and the amortization method are reviewed at least at each financial year-end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.
- c) Fixed Asset not in active use and held for sale is classified under "Other Non Current Assets" and are recognised at the lower of their carrying amount or market value less cost to sell.

#### 1.06 DEPRECIATION / AMORTISATION

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

#### 1.07 INVESTMENTS

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

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

##### a) Long-Term Investments

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

##### b) Current Investments

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



**1.08 INVENTORIES****Inventories are valued as follows:**

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

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

**1.09 BORROWING COSTS**

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

**1.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

**1.11 EMPLOYEE BENEFITS**

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

**1.12 EMPLOYEE STOCK OPTION SCHEME**

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

**1.13 ACCOUNTING FOR LEASES**

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

**a) As Lessee – Operating Lease**

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



#### **b) As Lessor – Operating Lease**

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

#### **c) As Lessee – Finance Lease**

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

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

### **1.14 REVENUE RECOGNITION**

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

#### **INCOME FROM SERVICES**

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

#### **SALE OF GOODS**

Revenue from sale of Access Devices is recognized when all the significant risks and rewards of ownership of the goods 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 recognized upon achieving milestones as per the terms of underlying agreements.

#### **INTEREST INCOME**

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

### **1.15 TAXATION**

- a) Provision for Current Tax is made on the basis of taxable profits computed for the current accounting year in accordance with the Income Tax Act, 1961.

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

### 1.16 FOREIGN CURRENCY TRANSACTIONS

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

### 1.17 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.

### 1.18 IMPAIRMENT

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

### 1.19 MEASUREMENT OF EBITDA

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

### 1.20 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 Crore unless stated otherwise)

### 2.01 SHARE CAPITAL

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

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

(₹ in Crore unless stated otherwise)

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

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

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

(₹ in Crore unless stated otherwise)

	As at March 31, 2015	As at March 31, 2014
	No. of Shares	No. of Shares
<b>Bonus Shares</b>		
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
	<b>74,236,874</b>	74,236,874

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

\* Holding was less than 5%

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

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

### e) Shares reserved for issue under options

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

(₹ in Crore unless stated otherwise)

## 2.02 RESERVES & SURPLUS

	As at March 31, 2015	As at March 31, 2014
<b>Capital Reserve</b>		
Balances as per last Balance Sheet	0.10	0.10
Add: Addition during the year	-	-
Less: Written back during the year	-	-
	<b>0.10</b>	0.10
<b>Securities Premium</b>		
Balances as per last Balance Sheet	1,444.54	1,204.86
Add: Securities premium credited on Share issue	437.10	241.47
Less: Deductions during the year*	4.65	1.79
Balances as at the end of the year	<b>1,876.99</b>	1,444.54
<b>Employee Stock Options Outstanding Account (Refer Note No. 4.07)</b>		
Balances as at the beginning of the year	0.78	1.28
Add: Compensation for options during the year (net)	-	-
Less: Deductions during the year	0.70	0.50
Balances as at the end of the year	<b>0.08</b>	0.78
<b>Surplus/ (Debit Balance) In the Statement of Profit and Loss</b>		
Balances as at the beginning of the year	(638.12)	(527.01)
Add: Net Profit/ (Loss) for the year	(180.46)	(111.11)
Less : Depreciation on assets having nil useful life	(15.01)	-
Add : Depreciation adjusted against reserves - MI Share	1.00	-
Adjustment on Account of Change in stake	(0.27)	-
Debit Balance in the Statement of Profit and Loss	<b>(832.85)</b>	(638.12)
	<b>1,044.32</b>	807.30

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

2.03 LONG TERM BORROWINGS	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Term Loans</b>				
<b>Secured</b>				
From Banks	247.79	109.34	28.11	29.42
From Financial Institutions	75.39	112.50	-	43.75
From Others	44.97	189.68	-	40.53
<b>Buyers Credit</b>				
<b>Secured</b>	234.51	370.17	255.55	134.24
<b>Unsecured</b>	110.79	-	-	-
<b>Deferred payment liabilities</b>				
<b>Unsecured</b>	10.01	14.04	9.38	14.03
<b>Finance Lease Obligations</b>				
<b>Secured</b>	110.16	215.99	111.57	84.06
<b>Vehicle Loans from Banks</b>				
<b>Secured</b>	0.58	0.56	0.31	0.41
<b>Other Loans and Advances</b>				
<b>Unsecured</b>	5.10	2.00	0.69	-
	<b>839.30</b>	<b>1,014.28</b>	<b>405.61</b>	<b>346.44</b>
Amount disclosed under the head 'Other Liabilities' (Refer Note No. 2.08)				
- Current maturities of Long-Term Debts	-	-	294.04	262.38
- Current maturities of Finance Lease Obligations	-	-	111.57	84.06
<b>Net Amount</b>	<b>839.30</b>	<b>1,014.28</b>	<b>-</b>	<b>-</b>
<b>The above amount includes</b>				
Aggregate amount of Secured Borrowings	713.40	998.24	-	-
Aggregate amount of Unsecured Borrowings	125.90	16.04	-	-

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
<p>Term loan from ING Bank Ltd. amounting to ₹ 50.00 (March 31, 2014: ₹ 15) are secured by,</p> <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of present &amp; future movable and immovable Fixed Assets of one of the Subsidiary Company,</li> <li>2. Pari Passu hypothecation of present &amp; future Current Assets of one of the Company.</li> </ol>	<p>Principal repayable on completion of 3 years from the date of drawdown (Tranche 1- February 21, 2014 for ₹ 15.00, Tranche 2- May 28, 2014 for ₹ 20.00, Tranche 3- July 24, 2014 for ₹ 15.00. Interest is payable on monthly basis. Applicable Rate of Interest is ING Vysya Bank Base rate + 0.70%. (March 31, 2014: ING Vysya Bank Base rate + 1.95%)</p>
<p>Term loan from ICICI Bank Ltd. amounting to ₹ NIL (March 31, 2014: ₹ NIL) (Sanctioned Amount ₹ 200.00) are secured by,</p> <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of present &amp; future movable and immovable Fixed Assets of the Company,</li> <li>2. Pari Passu hypothecation of present &amp; future Current Assets of the Company.</li> </ol>	<p>For Rupee Term loan drawdown, principal repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown. Applicable rate of Interest is ICICI Bank Base rate + 2.40%</p>
<p>Term loan from Axis Bank Ltd. amounting to ₹ 2.52 (March 31, 2014: ₹ 5.01) are secured by,</p> <ol style="list-style-type: none"> <li>1. First Pari Passu Charge on entire movable &amp; immovable Fixed Assets of one of the Company,</li> <li>2. Second Charge by way of Hypothecation of entire Current Assets belonging one of the Subsidiary Company,</li> <li>3. Corporate Guarantee by the Company.</li> </ol>	<p>Principal Repayable in 16 equal quarterly installments of ₹ 0.63 with 1st installment commencing from June 01, 2012. Interest is payable on Monthly basis. Applicable Rate of Interest is Axis Bank Base Rate + 4%.</p>
<p>Term loan from Axis Bank Ltd. amounting to ₹ 8.56 (March 31, 2014: ₹12.06) are secured by,</p> <ol style="list-style-type: none"> <li>1. First Pari Passu Charge on entire movable &amp; immovable Fixed Assets of one of the Subsidiary Company,</li> <li>2. Second Charge by way of Hypothecation of entire Current Assets belonging one of the Subsidiary Company,</li> <li>3. Personal Guarantee of the Director of one of the Subsidiary company and Corporate Guarantee of the Company.</li> </ol>	<p>Principal Repayable in 16 equal quarterly installments of ₹ 0.88 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%.</p>
<p>Term loan from Yes Bank Ltd. amounting to ₹ NIL ( Mar 31, 2014: ₹ 2.5) are secured by,</p> <ol style="list-style-type: none"> <li>1. First Pari Passu Charge on entire movable &amp; immovable Fixed Assets of one of the Subsidiary Company,</li> <li>2. First Pari Passu Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company,</li> <li>3. Non disposal undertaking by Director of one of the Subsidiary Company and the Company,</li> <li>4. Shortfall undertaking from the Directors of one the Subsidiary Company and the Company for repayment of Principal and Interest.</li> </ol>	<p>Principal Repayable in 8 equal quarterly installments of ₹ 1.25 with 1st installment commencing from October 28, 2012. Interest is payable on Monthly basis. Applicable Rate of Interest is Yes Bank Base Rate + 4%.</p>
<p>Term loan from Axis Bank Ltd. amounting to ₹ 14.06 (March 31, 2014: ₹15.00) are secured by,</p> <ol style="list-style-type: none"> <li>1. Second Pari Passu Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company,</li> <li>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,</li> <li>3. First Charge on Fixed Deposit of ₹ 108.10 of one of the Subsidiary Company,</li> <li>4. Letter of Comfort from the Company,</li> <li>5. Personal guarantee of Director of one of the Subsidiary Company.</li> </ol>	<p>Principal Repayable in 16 equal quarterly installments of ₹ 0.94 with 1st installment commencing from January 05, 2015. Interest is payable on Monthly basis. Applicable Rate of Interest is Axis Bank Base Rate + 3.75%.</p>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
<p>Term loan from Yes Bank Ltd. amounting to ₹ 14.44 (March 31, 2014: ₹18.89) are secured by,</p> <ol style="list-style-type: none"> <li>1. First Pari Passu charge on movable Fixed Assets of one of the Subsidiary Company,</li> <li>2. Second Pari Passu Charge on Current Assets of one of the Subsidiary Company.</li> <li>3. Letter of Comfort from the Company,</li> <li>4. Personal guarantee of Director of one of the Subsidiary Company,</li> <li>5. Non Disposal undertaking from the Director of one of the Subsidiary Company and the Company,</li> <li>6. Shortfall undertaking from the Director of one of the Subsidiary Company and the Company for repayment of principal and interest,</li> <li>7. Exclusive Charge on by way of mortgage of property situated in Ahmedabad of one of the Subsidiary Company,</li> <li>8. Pledge of equity shares of 10% of GTPL Hathway Private Limited which are owned / held by Mr. Anirudhsinh Jadeja / Mr. Kanaksinh Rana/ M/s. Gujarat Digicom Pvt. Ltd.</li> </ol>	<p>Principal Repayable in 18 equal quarterly installments of ₹ 1.11 with 1st installment commencing from February 24, 2014. Interest is payable on Monthly basis. Applicable Rate of Interest is Yes Bank Base Rate + 3.25%.</p>
<p>Term loan from Yes Bank Ltd. amounting to ₹ 13.50 (March 31, 2014: ₹ NIL) are secured by,</p> <ol style="list-style-type: none"> <li>1. First Pari Passu charge on movable Fixed Assets of one of the Subsidiary Company,</li> <li>2. Second Pari Passu Charge on Current Assets of the Company,</li> <li>3. Personal guarantee of Managing Director of one of the Subsidiary Company,</li> <li>4. Guarantee from the Company.</li> </ol>	<p>Principal Repayable in 10 equal quarterly installments of ₹ 1.50 with 1st installment commencing from January 17, 2015. Interest is payable on Monthly basis. Applicable Rate of Interest is Yes Bank Base Rate + 2%</p>
<p>Term loan from Yes Bank Ltd. amounting to ₹ 18.77 (March 31, 2014: ₹ NIL) are secured by,</p> <ol style="list-style-type: none"> <li>1. First Pari Passu charge on movable Fixed Assets of one of the Subsidiary Company,</li> <li>2. Second Pari Passu Charge on Current Assets of the Company.</li> <li>3. Personal guarantee of Managing Director of one of the Subsidiary Company,</li> <li>4. Guarantee from the Company.</li> </ol>	<p>Principal Repayable in 12 equal quarterly installments of ₹ 1.56 with 1st installment commencing from June 30, 2015. Interest is payable on Monthly basis. Applicable Rate of Interest is Yes Bank Base Rate + 2%</p>
<p>Term loan from Dhanlaxmi Bank Ltd. amounting to ₹1.30 (March 31, 2014: ₹ 1.46) are secured by,</p> <ol style="list-style-type: none"> <li>1. Exclusive first Charge on by way of mortgage of property situated at Ganga Apartment, Golaghalla Road, Kolkata of one of the Subsidiary Company.</li> </ol>	<p>Principal Repayable in 120 monthly instalments gradually increasing from ₹ 0.007 to 0.03 with 1st installment commencing from February 15, 2011. Interest is payable on Monthly basis. Applicable Rate of Interest is Dhanlaxmi Base Rate + 4.5%.</p>
<p>Term loan from Dhanlaxmi Bank Ltd. amounting to ₹ NIL (March 31, 2014: ₹ 0.59) are secured by,</p> <ol style="list-style-type: none"> <li>1. Exclusive first Charge on by way of mortgage of property situated at Bapunagar, Ahmedabad of the Company of one of the Subsidiary Company.</li> </ol>	<p>Principal Repayable in 180 monthly instalments gradually increasing from ₹ 0.001 to 0.01 with 1st installment commencing from June 15, 2011. Interest is payable on Monthly basis. Applicable Rate of Interest is Dhanlaxmi Base Rate + 3%.</p>
<p>Term loan from HDFC Bank amounting to ₹ NIL (March 31, 2014: ₹ 5.00) are secured by,</p> <ol style="list-style-type: none"> <li>1. The Facility amount along with interest is secured by pledge of 4,23,250 shares of the company valued at ₹ 53 which has to be maintained on a continuing basis.</li> </ol>	<p>366 days w.e.f. Date of first disbursement the company has option to repay earlier, at 3 working days' notice. Interest Term 13.50 %.</p>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
Term loan from Axis Bank Ltd. amounting to ₹ 0.29 (March 31, 2014: ₹ NIL) are secured by, <ol style="list-style-type: none"> <li>1. Personal Guaranty has been given by directors of one of the Subsidiary Company.</li> </ol>	Principal Repayable in 48 equal monthly installments of ₹ 0.00 (₹ 85,021) with 1st installment commencing from January 20, 2015. Interest is payable on Monthly basis. Applicable Rate of Interest is 16%.
Terms loan from Yes Bank Ltd. amounting to ₹ 3.00 (March 31, 2014: ₹ 7.00) are secured by, <ol style="list-style-type: none"> <li>1. First Pari Passu charge on movable Fixed Assets of one of the Subsidiary Company,</li> <li>2. Second Pari Passu Charge on Current Assets of one of the Subsidiary Company,</li> <li>3. Letter of Comfort from the Company,</li> <li>4. Personal guarantee of the Director of one of the Subsidiary Company.</li> <li>5. Non Disposal undertaking from the Director of one of the Subsidiary Company and the Company,</li> <li>6. Shortfall undertaking from the Director of one of the Subsidiary Company and the Company for repayment of principal and interest.</li> <li>7. Exclusive Charge on by way of mortgage of property situated in Ahmedabad of one of the Subsidiary Company.</li> </ol>	Principal Repayable in 10 equal quarterly installments of ₹ 10,000,000 with 1st installment commencing from August 12, 2013. Interest is payable on Monthly basis. Applicable Rate of Interest is Yes Bank Base Rate + 4%.
<b>Term Loan from Financial Institutions</b>	
Term loan from IDFC Ltd. amounting to ₹ NIL (March 31, 2014: ₹ 6.25) are secured by, <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of the present &amp; future movable &amp; immovable Fixed Assets of the Company,</li> <li>2. Pari Passu hypothecation of the present &amp; future Current Assets of the Company,</li> <li>3. Pari Passu first charge on present &amp; future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature of the Company,</li> <li>4. First charge on the uncalled capital of the company,</li> <li>5. Lien on Fixed Deposits with Bank of ₹ NIL (March 31, 2014: ₹ 2.70) of the Company.</li> </ol>	The loan was prepaid during the year.
Term loan from IDFC Ltd. amounting to ₹ 75.00 (March 31, 2014: ₹ 150) are secured by, <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of the present &amp; future movable &amp; immovable Fixed Assets of the Company,</li> <li>2. Pari Passu hypothecation of the present &amp; future Current Assets of the Company,</li> <li>3. Pari Passu first charge on present &amp; future book debts, operating cash flows, receivables, revenues of whatsoever nature of the Company,</li> <li>4. First charge on the uncalled capital of the company,</li> <li>5. Lien on Fixed Deposits with Bank of ₹ 18.64 (March 31, 2014: ₹ 18.64) of the Company.</li> </ol>	Principal repayable in 16 equal quarterly installments of ₹ 9.38 commencing from April 15, 2015. Interest is payable on monthly basis. Applicable Rate of Interest is 11.50%. (IDFC Benchmark rate + 3%)
Term loan from HDB Financial Services. amounting to ₹ 0.39 (March 31, 2014: ₹ NIL) are secured by, <ol style="list-style-type: none"> <li>1. Exclusive first Charge on by way of mortgage of property situated at Vizag of one of the subsidiary of the company.</li> </ol>	Principal Repayable in 60 monthly instalments gradually increasing from ₹ 0.01 with 1st installment commencing from June 04, 2013. Interest is payable on Monthly basis. Applicable Rate of Interest is 13.50%
<b>Term Loan from Others</b>	
Term loan from HDFC Ltd. amounting to ₹ 44.97 (March 31, 2014: ₹ 142.71) are secured by, <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of the present &amp; future movable &amp; immovable Fixed Assets of the Company,</li> <li>2. Pari Passu hypothecation of the present &amp; future Current Assets of the Company.</li> </ol>	Principal repayable in 16 equal quarterly installments of ₹ 12.17 along with Interest commencing from May 23, 2014. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC PLR - 6.60%. (March 31, 2014: HDFC PLR -4.50%)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
<p>Term loan from GE Money Financial Services Pvt. Ltd. amounting to ₹ NIL (March 31, 2014: ₹ 87.50) are secured by,</p> <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of the present &amp; future movable &amp; immovable Fixed Assets of the Company,</li> <li>2. Pari Passu hypothecation of the present &amp; future Current Assets of the Company.</li> </ol>	<p>The loan was Prepaid during the year.</p>
<b>Buyers Credit</b>	
<p>Buyers Credit from Axis Bank Ltd. amounting to ₹ 127.62 (March 31, 2014: ₹ 202.70) are secured by, (Out of the same ₹ 102.34 (March 31, 2014 ₹ 98.10) is a sub-limit of Term loan of ₹ 100.00),</p> <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of Current Assets of the Company both present &amp; future and extension of Pari Passu hypothecation of movable Fixed Assets of the Company both present &amp; future,</li> <li>2. Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit &amp; additional 10% at the end of 2 years.</li> </ol>	<p>Principal repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.</p>
<p>Buyers Credit from Yes Bank Ltd. amounting to ₹ 161.80 (March 31, 2014: ₹ 134.72) are secured by,</p> <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of Current Assets of the Company both present &amp; future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present &amp; future.</li> <li>2. Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit &amp; additional 10% at the end of 2 years</li> </ol>	<p>Principal repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.</p>
<p>Buyers Credit from ING Vysya Bank Limited amounting to ₹ 60.55 (March 31, 2014: ₹ 28.23) are secured by,</p> <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of the present &amp; future movable &amp; immovable Fixed Assets of the Company,</li> <li>2. Pari Passu hypothecation of the present &amp; future Current Assets of the Company.</li> </ol>	<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>
<p>Buyers Credit from ING Bank N.V., Singapore amounting to ₹ 99.95 (March 31, 2014: ₹ 95.64) are secured by,</p> <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of the present &amp; future movable &amp; immovable Fixed Assets of the Company,</li> <li>2. Pari Passu hypothecation of the present &amp; future Current Assets of the Company.</li> </ol>	<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.</p>
<p>Buyers Credit from ICICI Bank Ltd amounting to ₹ 110.79 (March 31, 2014: ₹ NIL) (Sanctioned Amount USD 30 Million) - Unsecured</p>	<p>Principal repayable on completion of 2 years from the date of each drawdown. Applicable Rate of Interest is 6 months LIBOR + 3.50% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.</p>
<p>Buyers Credit from Axis Bank Ltd. Amounting to ₹ 31.48 (March 31, 2014 ₹ 34.57) are secured by way of hypothecation of current assets of one of the Subsidiary Company both present and future and personal guarantee of one of the directors of one of the Subsidiary Company and Corporate Gurantee of the Company.</p>	<p>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.</p>
<p>Buyers Credit from SBER Bank Ltd. Amounting to ₹ 1.73 (March 31, 2014 ₹ 7.15) are secured by way of Exclusive First charge on Property at Baroda and Personal Guarantee of one of the Director of one of the Subsidiary Company.</p>	<p>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.</p>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
<p>Buyers Credit from Axis Bank Ltd. Amounting to ₹ NIL (March 31, 2014 ₹ 1.4) are secured by,</p> <ol style="list-style-type: none"> <li>1. Pari Passu hypothecation of the present &amp; future movable &amp; immovable Fixed Assets of one of the Subsidiary Company,</li> <li>2. Pari Passu hypothecation of the present &amp; future Current Assets of one of the Subsidiary Company.</li> <li>3. Personal Guarantee of Director of one of the Subsidiary Company and Corporate Guarantee of the Company.</li> </ol>	<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 drawdown.</p>
<p>Buyers Credit from IDBI Bank Ltd. Amounting to ₹ 5.71 (March 31, 2014 ₹ NIL) are secured by way of,</p> <ol style="list-style-type: none"> <li>1. Pari Passu First charge on entire movable Fixed Assets of one of the Subsidiary Company (Incl. Assets Created out of Term Loan availed from various Banks),</li> <li>2. Second Pari Passu charge on entire Current Assets of one of the Subsidiary Company,</li> <li>3. Extension on charge on Office no 202 A to E,211, 212 and 213 and 903 of Sahjanand complex of one of the Subsidiary Company,</li> <li>4. Exclusive charge of Shop no. 301 &amp; 317 of Bapunagar office of one of the Subsidiary Company,</li> <li>5. Lien on FD of ₹ 0.28 of one of the Subsidiary Company,</li> <li>6. Exclusive charge on Rajkot CSW no 8 and CS no 620, P.Of no 401, in Century Centre of one of the Subsidiary Company.</li> </ol>	<p>Principal repayment with interest on completion of 360 days with roll over period of 3 years Applicable Rate of Interest is ranging from 1.3825 p.a. to 1.5312 p.a.</p>
<p>Buyers Credit from Yes Bank Ltd. Amounting to ₹ 1.22 (March, 31 14 ₹ NIL) are secured by way of</p> <ol style="list-style-type: none"> <li>1. First pari pasu charge on movable Fixed Assets of one of the Subsidiary Company.</li> <li>2. Second Paripasu charge on Current Assets of one of the Subsidiary Company.</li> <li>3. Personal Guarantee of Director of one of the Subsidiary Company and Corporate Guarantee of the Company.</li> </ol>	<p>Principal repayment with interest on completion of 178 days with roll over period of 3 years from the date of underlying shipment. Applicable Rate of Interest is 1.4296 p.a.</p>
<b>Deferred Payment Liabilities</b>	
<p>Deferred Payment Liability amounting to ₹ 19.39 (March 31, 2014: ₹ 28.07) - Unsecured</p>	<p>Principal amount repayable within 2 years along with interest. Applicable rate of interest is 4%</p>
<b>Finance Lease Obligation</b>	
<p>Cisco System Capital (India) Private Limited - Finance Lease amounting to ₹ 108.90 (March 31, 2014: ₹157.07) secured by hypothecation of underlying assets taken on lease of the Company.</p>	<p>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.</p>
<p>Cisco Systems Capital (India) Private Limited - Finance Lease amounting to ₹ 64.41 (March 31, 2014: ₹ 77.43) is secured against Set Top Boxes purchased under lease by one of the Subsidiary Company and Corporate guarantee of the Company.</p>	<p>Principal with Interest is payable in quarterly instalments over the period of 5 years Applicable Rate of Interest varies between 9% - 10% p.a.</p>
<p>Cisco Systems Capital (India) Private Limited - Finance Lease amounting to ₹ 48.30 (March 31, 2014: ₹ 65.24), is secured against Set Top Boxes purchased under lease by one of the Subsidiary Company and Corporate guarantee of one of the Subsidiary Company.</p>	<p>Principal with Interest is payable in quarterly instalments over the period of 5 years Applicable Rate of Interest varies between 9% - 10% p.a.</p>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
Cisco Systems Capital (India) Private Limited - Finance lease obligation as at March 31, 2015 of ₹ 0.12 (March 31, 2014 ₹ 0.31) secured by way of legal ownership of assets, taken under lease & finance agreement, remaining with the lessor during the lease term starting from December 03, 2012 ending on November 03, 2015. Collateral security has also been given by one of the directors of one of the Subsidiary Company by way of a guarantee.	Principal amount with interest is payable in 36 monthly installments starting from the month in which lease taken i.e. January 2013. Effective rate of interest ranging between 11.5% -12.5% p.a.
<b>Vehicle Loans from Banks</b>	
Loan taken from various Banks totaling to ₹ 0.78 (March 31, 2014: ₹ 0.86 ) secured against respective vehicle under the Hire Purchase Contract.	Principal repayable over 36 - 60 months on monthly rests along with Interest. Applicable Rate of Interest is in the range of 12 - 15% p.a.
Vehicle Loans from Financial Institution amounting to ₹ 0.04 (March 31, 2014: ₹ 0.06) are secured by Hypothecation of Vehicles.	Principal repayable in 60 equal monthly installments along with Interest. Applicable Rate of Interest is 11% /10.75% .1st installment due from Nov.2010/ June.2011.
Vehicle Loans amounting to ₹ 0.02 (March 31, 2014: ₹ 0.04) are secured by Hypothecation of Vehicles.	Principal repayable in 60 equal monthly installments along with Interest. Monthly EMI payable ₹ 0.001
Vehicle loan from HDFC Bank amounting to ₹ 0.02 (March 31, 2014: ₹ NIL) is secured by first and exclusive charge on movable assets acquired out of loan	Repayable in 24 installments commencing from August 5, 2014. Last installment due on July 05, 2016.
Vehicle loan from HDFC Bank amounting to ₹ 0.02 (March 31, 2014: ₹ NIL) is secured by first and exclusive charge on movable assets acquired out of loan	Repayable in 24 installments commencing from August 5, 2014. Last installment due on July 05, 2016.
Vehicle loan from HDFC Bank amounting to ₹ 0.01 (March 31, 2014: ₹ 0.01) is secured by first and exclusive charge on movable assets acquired out of loan	Repayable in 36 installments commencing from August 5, 2013. Last installment due on July 05, 2015.
<b>Unsecured- Others</b>	
Other Loans & Advances - Unsecured	Principal amount repayable after 12 months as per mutual consent. No Interest is payable on the loans.

(₹ in Crore unless stated otherwise)

2.04 DEFERRED TAX LIABILITY	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation	-	45.68
Disallowances Under Income Tax Act 1961	0.02	0.03
Carried Forward Losses ((₹ NIL (March 31, 2014 ; ₹ 20,619))	-	0.00
Provision for Doubtful Debts	-	0.29
<b>Deferred Tax Liabilities</b>		
Difference between book and tax depreciation	30.28	68.93
<b>NET DEFERRED TAX LIABILITY</b>	<b>30.26</b>	<b>22.93</b>

(₹ in Crore unless stated otherwise)

2.05 OTHER LONG-TERM LIABILITIES	As at March 31, 2015	As at March 31, 2014
<b>Others</b>		
Income received in advance (Refer Note No. 2.08)	-	4.17
Security Deposits (Refer Note No. 2.08)	15.44	14.69
Mark to Market Losses on Derivatives (Refer Note No. 2.08)	5.27	-
	<b>20.71</b>	<b>18.86</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

2.06 PROVISIONS	Long Term		Short Term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Provision for Employee Benefits</b>				
Gratuity (unfunded)	1.32	0.49	0.85	0.59
Bonus	-	-	0.04	0.30
Leave Encashment	2.63	1.06	4.72	6.71
Other Employee Payables	0.01	-	1.80	3.54
<b>Others</b>				
Provision for Income Tax (Net)	0.57	0.65	2.94	2.53
	<b>4.53</b>	<b>2.20</b>	<b>10.35</b>	<b>13.67</b>

(₹ in Crore unless stated otherwise)

2.07 SHORT TERM BORROWINGS	As at March 31, 2015	As at March 31, 2014
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Working Capital Loans repayable on demand from a bank	35.00	21.10
Cash Credit with banks	112.43	74.50
Overdraft with bank	10.00	-
<b>Unsecured Loans</b>		
Others	16.21	11.68
	<b>173.64</b>	<b>107.28</b>

### Nature of Security for secured borrowings:

Nature of Borrowing	Nature of Security
<b>WORKING CAPITAL</b>	
Working Capital Demand Loan from ING Vysya Bank Ltd. outstanding ₹ 35.00 (March 31, 2014: ₹ 6.00) (Sanctioned Amount ₹ 75.00) (Sublimit of Letter of Credit/ Letter of Undertaking for Buyers Credit of ₹ 75.00)	Pari Passu hypothecation of present & future movable and immovable Fixed Assets of the Company, Pari Passu hypothecation of present & future Current Assets of the Company.
Working Capital Demand Loan with SBER Bank of India outstanding ₹ NIL ( March 31, 2014: ₹ 15.00)	Pari Passu First Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company, Second Pari Passu charge on the entire movable fixed assets of one of the Subsidiary Company.
Term Loan from Axis Bank amounting to ₹ NIL (March 31, 2014: ₹ 0.10) are secured by,	Pari Passu hypothecation of the present & future movable & immovable Fixed Assets and Current Assets of one of the Subsidiary Company, Personal Guarantee of one of the Director of one of the Subsidiary Company and Corporate Guarantee of the Company.
<b>CASH CREDIT</b>	
Cash Credit with Axis Bank Ltd outstanding ₹ 31.70 (March 31, 2014: ₹ 40.49)	Pari Passu hypothecation of present & future movable and immovable Fixed Assets of the Company, Pari Passu hypothecation of present & future Current Assets of the Company.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Borrowing	Nature of Security
Cash Credit with Yes Bank Ltd amounting to ₹ 0.08 (March 31, 2014: ₹ 6.17) (Sanctioned Cash Credit Amount ₹ 25 & Working Capital Demand Loan ₹ 25.00) (Sublimit of Letter of Credit/ Letter of Undertaking for Buyers Credit of ₹ 150.00)	Pari Passu hypothecation of present & future movable and immovable Fixed Assets of the Company. Pari Passu hypothecation of present & future Current Assets of the Company.
Cash Credit with ING Vysya Bank Ltd amounting to ₹ 19.99 (March 31, 2014: ₹ NIL) (Sanctioned Amount ₹ 20.00) (Sublimit of Letter of Credit/ Letter of Undertaking for Buyers Credit of ₹ 75.00)	Pari Passu hypothecation of present & future movable and immovable Fixed Assets of the Company. Pari Passu hypothecation of present & future Current Assets of the Company.
Cash Credit with Axis Bank Ltd. outstanding ₹ 17.04 (March 31, 2014: ₹ 13.90)	First Pari Passu Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company, Second Pari Passu charge on the entire movable fixed assets of one of the Subsidiary company.
Cash Credit with IDBI Bank Ltd. of India outstanding ₹14.45 ( Mar 31, 2014: ₹ 4.61)	First Pari Passu Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company, Second Pari Passu charge on the entire movable fixed assets of one of the Subsidiary company.
Cash Credit SBER Bank Ltd with outstanding ₹ 21.30 ( Mar 31, 2014: ₹ NIL)	First Pari Passu Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company, Second Pari Passu charge on the entire movable fixed assets of one of the Subsidiary company.
Cash Credit Axis Bank Ltd with outstanding ₹ 0.60( Mar 31, 2014: ₹ NIL )	First Pari Passu Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company, Second Pari Passu charge on the entire movable fixed assets of one of the Subsidiary company.
Cash Credit with State bank of India with outstanding ₹ 0.22 ( Mar 31, 2014: ₹ NIL )	First Pari Passu Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company, Second Pari Passu charge on the entire movable fixed assets of one of the Subsidiary company.
Cash Credit with Central Bank of India with outstanding ₹ 1.99 ( Mar 31, 2014: ₹ 3.22)	First Pari Passu Charge by way of Hypothecation of entire Current Assets of one of the Subsidiary Company, Second Pari Passu charge on the entire movable fixed assets of one of the Subsidiary company.
Cash Credit facility of ₹ 1.77 (March 31, 2014: ₹ 1.17) from Axis Bank	Hypothecation of Book Debts & all Fixed Assets of one of the Subsidiary company, Corporate guarantee of the Company.
Cash Credit with Axis Bank Ltd outstanding ₹ 0.03 (March 31, 2014: ₹ 0.35)	First Charge on the Current Assets belonging to one of the Subsidiary Company.
Cash Credit with Axis Bank Ltd outstanding ₹ 3.25 (March 31, 2014: ₹ 4.58)	First charge by way of hypothecation on the entire current assets of one of the Subsidiary company, Extension of first charge on the entire fixed assets (both present & future) of one of the Subsidiary company, Corporate guarantee of the Company, Cash credit facility is carries interest rate @ base rate plus 4%
<b>OVERDRAFT</b>	
Overdraft with ICICI Bank Ltd amounting to ₹ 10.00 (March 31, 2014: ₹ NIL) (Sanctioned Amount ₹ 10.00)	Secured by First Charge on the Current Assets of one of the Subsidiary Company, Second charge on the present and future moveable Fixed Assets and specific immovable properties of one of the Subsidiary Company, Personal Guarantee of one of the Directors of one of the Subsidiary Company and Corporate Guarantee of the Company.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

2.08 OTHER LIABILITIES	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Trade Payables</b>				
Micro and Small Enterprises *	-	-	-	-
Others	0.21	0.00	348.78	244.63
	<b>0.21</b>	-	<b>348.78</b>	244.63
Current maturities of Long Term Debts (Note No. 2.03)	-	-	294.04	262.38
Current maturities of Finance Lease Obligations (Note No. 2.03)	-	-	111.57	84.06
Interest accrued but not due on borrowings	-	-	6.39	5.63
Credit Balances in Current Account with Bank	-	-	2.18	1.77
Income received in advance	-	4.17	70.03	54.53
Statutory Payables	-	-	54.44	70.40
Payables - Capital Expenditure	-	-	124.00	145.42
Employee Payables	-	-	8.03	10.69
Gratuity (Funded Plans)	-	-	0.10	-
Security Deposits	15.44	14.69	21.96	1.56
Advance from Customers	-	-	29.72	68.47
Other Liabilities	-	-	88.26	104.88
Mark to Market Losses on Derivatives	5.27	-	-	-
	<b>20.71</b>	18.86	<b>810.72</b>	809.79
Amount disclosed under the head Income received in advance (Refer Note No. 2.05)	-	4.17	-	-
Amount disclosed under the head Security Deposits (Refer Note No. 2.05)	15.44	14.69	-	-
Amount disclosed under the head Mark to Market Losses on Derivatives (Refer Note No. 2.05)	5.27	-	-	-
	-	-	<b>810.72</b>	809.79

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



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

	Gross Block (at Cost)			Depreciation/Amortisation/Impairment			Net Block	
	As at 01-04-14	Additions during the period	Deductions during the period	As at 01-04-14	Additions during the period**	Deductions during the period	As at 31-03-15	As at 31-03-14
<b>FIXED ASSETS</b>								
<b>2.09 TANGIBLE ASSETS</b>								
<b>Own Assets:</b>								
Plant and Machinery	1,826.52	346.54	149.18	628.00	272.10	169.18	654.35	1,387.99
Air Conditioners	4.73	1.12	0.02	2.41	0.96	0.02	3.61	2.22
Structural Fittings	2.62	0.30	0.09	0.99	0.66	0.07	1.95	0.88
Furniture & fixtures	23.51	5.95	2.74	13.55	1.78	0.36	14.12	12.60
Mobile, Pagers & Telephones	1.95	0.12	-	1.39	0.28	-	1.77	0.30
Computers	20.72	6.51	0.90	16.47	2.41	0.76	18.32	8.01
Office Equipments	7.92	2.61	0.27	3.10	1.95	0.13	6.50	3.76
Electrical Fittings	3.73	2.43	0.04	6.12	0.86	0.03	2.94	3.18
Motor Vehicles	7.30	1.56	0.88	4.60	0.83	0.28	4.93	3.08
Movie Master Tapes	0.18	-	-	0.17	-	-	0.17	0.01
Land and Building	16.34	3.78	1.22	2.99	0.37	0.05	3.31	15.59
	<b>1,915.52</b>	<b>370.92</b>	<b>155.34</b>	<b>675.87</b>	<b>282.20</b>	<b>170.88</b>	<b>711.97</b>	<b>1,437.62</b>
								<b>1,239.65</b>
<b>Assets Taken on Finance Lease:</b>								
Plant and Machinery	486.31	17.69	36.50	81.01	50.49	13.05	109.38	339.66
	<b>486.31</b>	<b>17.69</b>	<b>36.50</b>	<b>81.01</b>	<b>50.49</b>	<b>13.05</b>	<b>109.38</b>	<b>339.66</b>
<b>Total</b>	<b>2,401.83</b>	<b>388.61</b>	<b>191.84</b>	<b>756.88</b>	<b>332.69</b>	<b>183.93</b>	<b>821.35</b>	<b>1,777.28</b>
Previous Year	<b>1,768.55</b>	<b>722.49</b>	<b>89.22</b>	<b>575.37</b>	<b>263.52</b>	<b>82.00</b>	<b>756.88</b>	<b>1,644.95</b>
<b>Capital Work in Progress:</b>								
Total	-	-	-	-	-	-	-	<b>167.51</b>
Previous Year	-	-	-	-	-	-	-	<b>257.76</b>

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

\*\* Additions to Depreciation includes Impairment of Plant and Machinery ₹ 3.98 (March 31, 2014; ₹ 7.53) & Other ₹ NIL (March 31, 2014; ₹ 8.06)

	Gross Block (at Cost)			Depreciation/Amortisation/Impairment			Net Block	
	As at 01-04-14	Additions during the period	Deductions during the period	As at 01-04-14	Additions during the period**	Deductions during the period	As at 31-03-15	As at 31-03-14
<b>2.10 INTANGIBLE ASSETS</b>								
Goodwill	131.09	-	-	61.04	8.06	-	70.11	60.98
Cable Television Franchisee	185.98	10.63	3.62	61.86	12.79	2.03	72.62	120.37
Movie & Serial Rights	7.06	11.89	-	6.00	3.90	-	9.90	9.05
Softwares	74.89	26.54	-	26.10	18.90	-	45.00	56.43
Bandwidth Rights	14.14	3.13	-	3.41	1.35	-	4.76	12.51
<b>Total</b>	<b>413.16</b>	<b>52.19</b>	<b>3.62</b>	<b>158.41</b>	<b>45.00</b>	<b>2.03</b>	<b>202.39</b>	<b>259.34</b>
Previous Year	<b>394.90</b>	<b>48.76</b>	<b>30.50</b>	<b>152.08</b>	<b>36.82</b>	<b>30.49</b>	<b>158.41</b>	<b>254.75</b>
								<b>242.82</b>

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

Based on factors such as past experience, industry trends, value added services and quality of service 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 opinion that the useful life of the Cable Television Franchisee acquired by the Company will exceed twenty years. Accordingly, the same has been amortized over a period of twenty years from the date of acquisition.

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### 2.11 NON-CURRENT INVESTMENT

	FACE VALUE ₹ Per Unit	As at March	As at March	As at March	As at March
		31, 2015	31, 2015	31, 2014	31, 2014
		Quantity	Amount	Quantity	Amount
<b>Trade investments (valued at cost)</b>					
Unquoted equity investment					
Investment in Equity Shares of Subsidiaries					
Gujarat Telelink East Africa Limited ((₹ NIL (March 31, 2014: ₹ 28,337))		-	-	510	0.00
					0.00
<b>Investment in Equity Shares of Associates</b>					
Hathway VCN Cablenet Private Limited #	10	12,520	0.10	12,520	0.10
Pan Cable Services Private Limited # ((₹ 100 (March 31, 2014: ₹ 100))	10	10	0.00	10	0.00
GTPL Rajwadi Network Private Limited	10	5,000	0.52	2,500	0.37
Gujrat Television Private Limited	10	800,090	4.76	-	-
			<b>5.38</b>		<b>0.47</b>
Less : Provision for diminution in value			0.10		0.18
			<b>5.28</b>		<b>0.29</b>
<b>Investment in Equity Shares of Other Companies</b>					
Gujarat Television Private Limited	10	-	-	20,000	2.40
Hathway Cable Entertainment Private Limited #	10	47,009	0.05	47,009	0.05
Hathway Jhansi JMDSR Cable & Datacom Private Limited #	10	60,000	0.22	60,000	0.22
The Varachha Co-Op. Bank Ltd. ((₹ 5,050 (March 31, 2014: ₹ 5,050))	10	50	0.00	50	0.00
			<b>0.27</b>		<b>2.67</b>
Less : Provision for diminution in value			0.27		0.22
			<b>0.00</b>		<b>2.45</b>
<b>Investment in Partnership Firm*</b>					
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 Shiv Vision			0.38		0.38
M/s GTPL Lucky World Video			0.24		0.24
M/s Unity Cable Network ^			0.13		0.13
M/s Sai DL Vision^			0.04		0.03
M/s GTPL Pol Star Vision #			0.17		0.18

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

2.11 NON-CURRENT INVESTMENT	FACE VALUE ₹ Per Unit	As at March	As at March	As at March	As at March
		31, 2015	31, 2015	31, 2014	31, 2014
		Quantity	Amount	Quantity	Amount
M/s GTPL World Vision #			0.27		0.27
M/s GTPL Zubi Video Vision #			0.14		0.14
M/s GTPL Bapu Network #			0.19		0.19
M/s GTPL Siddhi Digital Services			1.92		1.92
M/s Sri Raghav G GTPL			2.15		2.15
M/s Sai DL Digital Cable Vision			-		0.13
M/s GTPL City Cable Visavadar			0.54		0.54
M/s. GTPL Hamidali Rizwi			1.20		-
M/s. GTPL Sky World Vision			0.30		-
M/s GTPL Aakash Cable Vision			0.12		-
M/s GTPL So Lucky Cable Services			1.11		-
M/s DL Digital Cable Vision ^			0.19		-
M/s DL Sai sanket ^			0.03		-
M/s Sai DL Vision			-		-
M/s Shivani Vision^			0.27		-
M/s Shivshakti World^			0.27		-
			<b>10.42</b>		<b>7.06</b>
Less : Balance Contribution Outstanding towards Capital to Partnership Firm / Joint Ventures			-		0.29
Less : Provision for diminution in value of Investment			0.99		0.98
			<b>9.43</b>		<b>5.79</b>
<b>Investment in Other</b>					
<b>Unquoted</b>					
Investment in Government Securities					
National Savings Certificates (Deposited with Government Authorities)			0.17		0.17
The Saraswat Co-operative Bank Ltd. (₹ 31,300 (March 31, 2014: ₹ 31,300))		3,130	0.00	3,130	0.00
Thane Janta Shares		5,000	0.01	5,000	0.01
			<b>0.18</b>		<b>0.18</b>
<b>Total Non-current Investments</b>			<b>14.88</b>		<b>8.71</b>
<b>Aggregate amount of quoted investments</b>			-		-
<b>Market Value of Quoted Investments</b>			-		-
<b>Aggregate amount of unquoted investments</b>			14.88		8.71
<b>Aggregate provision for diminution in value of investments</b>			1.36		1.39

# Provision for diminution in value of Investments

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

\* One of the subsidiary GTPL Hathway Private Limited has Investments in Partnership firms. Details with respect to names of all the Partners, total Capital and Share of each partner are not reproduced in view of General Circular No. 39/2014 dated 14th October, 2014 issued by Ministry of Corporate affairs as the same are considered not relevant with respect to consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

2.12 DEFERRED TAX ASSETS (NET)	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liabilities on</b>		
Difference between book and tax depreciation	0.44	1.04
<b>Deferred Tax Assets on</b>		
Disallowances Under Income Tax Act 1961	0.26	0.26
Leave Encashment Payable	0.67	0.67
Carried Forward Losses	4.57	4.67
Gratuity Payable	0.14	0.14
On Account of Bonus	0.11	0.11
Provision for Doubtful Debts	0.38	0.07
Others	0.18	0.81
<b>NET DEFERRED TAX ASSETS</b>	<b>5.87</b>	<b>5.69</b>

(₹ in Crore unless stated otherwise)

2.13 TRADE RECEIVABLES	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	4.44	18.62	566.80	542.50
Doubtful Outstanding	139.00	101.56	6.31	-
	<b>143.44</b>	<b>120.18</b>	<b>573.11</b>	<b>542.50</b>
Less: Provision for doubtful trade receivables	139.00	93.87	6.31	21.89
	<b>4.44</b>	<b>26.31</b>	<b>566.80</b>	<b>520.61</b>

(₹ in Crore unless stated otherwise)

2.14 LOANS AND ADVANCES	Long - Term		Short - Term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>CAPITAL ADVANCES</b>				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	13.13	30.39	14.31	0.30
Advance to Suppliers	7.84	29.60	4.85	0.67
Less: Provision for doubtful advances	2.65	2.38	-	0.63
	<b>18.32</b>	<b>57.61</b>	<b>19.16</b>	<b>0.34</b>
<b>SECURITY DEPOSITS</b>				
Unsecured, considered good				
Security Deposits	40.32	19.19	1.92	4.69
	<b>40.32</b>	<b>19.19</b>	<b>1.92</b>	<b>4.69</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

2.14 LOANS AND ADVANCES	Long - Term		Short - Term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>LOANS AND ADVANCES TO RELATED PARTIES</b>				
Unsecured, considered good unless stated otherwise				
Advance Recoverable	0.47	0.18	7.13	1.88
Advance to Firm in which Subsidiaries are partner	17.16	17.16	0.04	-
Advance to other Cable Ventures	6.09	6.10	-	-
Advances to Related Parties	0.05	0.01	4.74	2.36
Share Application Money	5.00	-	-	-
Less: Provision for doubtful loans and advances	23.44	23.45	0.72	-
	<b>5.33</b>	-	<b>11.19</b>	<b>4.24</b>
<b>OTHER LOANS AND ADVANCES</b>				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	7.33	3.95	13.49	15.85
Staff Advances	0.11	0.30	1.01	1.79
Staff Loan (₹ 37,164 (March 31, 2014: ₹ 280,258))	0.00	0.03	0.39	0.75
Sundry Advances	17.81	4.61	59.17	68.49
Service Tax Claimable	0.32	0.13	42.67	67.54
Loans Given	0.33	0.34	0.05	5.94
Advance Income Tax (Net of Provision)	55.01	42.18	43.63	31.19
Cenvat Receivable	1.47	0.97	7.98	14.86
Advances with statutory Authorities	8.19	-	-	-
Less: Provision for doubtful loans and advances to others	2.88	3.00	-	-
	<b>87.69</b>	53.92	<b>168.39</b>	206.41
	<b>151.66</b>	130.72	<b>200.66</b>	215.68

(₹ in Crore unless stated otherwise)

2.15 OTHER ASSETS	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good unless stated otherwise				
Non-current other bank balances (Note No. 2.18)	62.99	64.39	-	-
Other Receivables	1.95	1.17	35.22	8.44
Interest accrued but not due	0.06	0.02	3.52	2.20
	<b>65.00</b>	<b>65.58</b>	<b>38.74</b>	<b>10.64</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### 2.16 CURRENT INVESTMENTS

	FACE VALUE ₹ Per Unit	As at March	As at March	As at March	As at March
		31, 2015	31, 2015	31, 2014	31, 2014
		Quantity	Amount	Quantity	Amount
<b>Trade Investments</b>					
<b>Investments in Debt Market Mutual Fund</b>					
<b>Quoted</b>					
- Franklin Templeton Mutual Fund					
Franklin India Treasury Management Account- Super IP - Growth	1000	289,119	60.23	-	-
Franklin India Ultra Short Bond Fund - Super IP - Growth	10	5,945,528	11.00	-	-
- HDFC Mutual Fund					
HDFC Liquid Fund- Growth	10	6,493,897	17.88	-	-
			<b>89.11</b>		
<b>Investment in Partnership Firms*</b>					
M/s GTPL Pol Star vision			0.02		-
M/s GTPL Zubi Video Vision			0.01		-
M/s GTPL Bapu Network ((₹ 42,105 (March 31; 2014 ₹ NIL))			0.00		-
			<b>0.03</b>		
<b>Total Current Investments</b>			<b>89.14</b>		
<b>Aggregate amount of quoted investments</b>			<b>89.14</b>		
<b>Market Value of Quoted Investments</b>			<b>89.28</b>		

\* One of the subsidiary GTPL Hathway Private Limited has Investments in Partnership firms. Details with respect to names of all the Partners, total Capital and Share of each partner are not reproduced in view of General Circular No. 39/2014 dated 14th October, 2014 issued by Ministry of Corporate affairs as the same are considered not relevant with respect to consolidated financial statements.

(₹ in Crore unless stated otherwise)

### 2.17 INVENTORIES

	Current	
	As at March 31, 2015	As at March 31, 2014
<b>Inventories :</b>		
Stock-in-Trade	0.69	0.69
Stock of Spares & Maintenance Items	7.20	2.75
	<b>7.89</b>	<b>3.44</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

2.18 CASH AND BANK BALANCES	Non-Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Cash &amp; Cash Equivalents</b>				
Balances with banks:				
In Current Accounts	-	-	57.78	16.79
Fixed Deposits with original maturity of less than 3 months	-	-	0.54	0.68
Cheques in hand	-	-	18.88	1.54
Cash in hand	-	-	14.25	14.04
	-	-	<b>91.45</b>	<b>33.05</b>
<b>Other Bank Balance</b>				
Margin money deposit*	62.99	64.39	14.17	10.99
	<b>62.99</b>	<b>64.39</b>	<b>14.17</b>	<b>10.99</b>
Less: Amount disclosed under non current asset (Refer Note 2.15)	62.99	64.39	-	-
	-	-	<b>105.62</b>	<b>44.04</b>

\* Marked under lien in favour of Banks

(₹ in Crore unless otherwise stated)

3.01 REVENUE FROM OPERATIONS	Year ended March 31, 2015	Year ended March 31, 2014
<b>Sale of services</b>		
Subscription Income	1,794.87	1,480.13
Rental Income on Equipments	2.90	8.68
Consultancy Income	2.98	3.67
Advertisement Income & Marketing Support Services	25.18	62.41
Commission Income	1.08	4.08
	<b>1,827.01</b>	<b>1,558.97</b>
<b>Sale of products</b>		
Sale of Access Devices	0.93	13.66
	<b>0.93</b>	<b>13.66</b>
<b>Other operating revenues</b>		
Other Operational Income	3.66	10.28
	<b>3.66</b>	<b>10.28</b>
	<b>1,831.60</b>	<b>1,582.91</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

<b>3.02 OTHER INCOME</b>	<b>Year ended March 31, 2015</b>	Year ended March 31, 2014
Profit on Sale of Current Investments (Net)	7.24	2.45
Amount No Longer Payable Written Back	0.74	0.76
Interest on Fixed Deposits	8.84	4.95
Interest on Income Tax Refund	0.55	0.04
Gain on Foreign Exchange Fluctuation (Net)	0.51	-
Interest on Loans	0.06	0.15
Miscellaneous Income	9.20	2.15
	<b>27.14</b>	10.50

(₹ in Crore unless stated otherwise)

<b>3.03 PURCHASE OF STOCK-IN-TRADE</b>	<b>Year ended March 31, 2015</b>	Year ended March 31, 2014
Purchase of Access Device	0.77	13.85
	<b>0.77</b>	13.85

(₹ in Crore unless stated otherwise)

<b>3.04 CHANGES IN STOCK-IN-TRADE</b>	<b>Year ended March 31, 2015</b>	Year ended March 31, 2014
Opening Stock	0.69	0.69
Less: Closing Stock	0.69	0.69
(₹ 76,666 (March 31, 2014: ₹ -27,466))	<b>0.00</b>	(0.00)

(₹ in Crore unless stated otherwise)

<b>3.05 OPERATIONAL EXPENSES</b>	<b>Year ended March 31, 2015</b>	Year ended March 31, 2014
Pay Channel Cost	813.13	667.96
Distribution Cost	37.73	35.16
Commission	46.77	41.59
Bandwidth & Lease Line Cost	45.08	30.07
Other Sundry Operational Cost	11.85	22.26
Repairs & Maintenance (Plant & Machinery)	44.14	35.55
Rent	15.20	12.83
Local Cable Operator Revenue Share	27.51	18.06
Consultancy & Technical Fees	21.20	17.41
Feed charges	6.55	4.31
Software & Programming Cost	3.80	2.36
Freight & Octroi Charges	1.37	2.99
Hire Charges	12.52	7.79
Movie/Cable Right Expenses	0.01	0.16
	<b>1,086.86</b>	898.50

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

<b>3.06 EMPLOYEE BENEFITS EXPENSE</b>	<b>Year ended March 31, 2015</b>	Year ended March 31, 2014
Salaries & Bonus	138.93	112.57
Staff Welfare	6.01	4.65
Contribution to provident and other fund	8.00	5.58
Employee Stock Compensation Expense	(0.70)	(0.34)
	<b>152.24</b>	<b>122.46</b>

(₹ in Crore unless stated otherwise)

<b>3.07 OTHER EXPENSES</b>	<b>Year ended March 31, 2015</b>	Year ended March 31, 2014
Service Charges	80.09	38.93
Bad Debts	29.92	10.87
Less: Transfer from Provision for Doubtful Debts	10.40	10.76
	19.52	0.11
Provision for Bad and Doubtful debts	61.17	55.63
Electricity Expenses	23.25	19.03
Loss on disposal / shortage of assets	3.00	4.49
Loss on Foreign Exchange Fluctuation (Net)	-	8.38
Rates & taxes	19.78	20.70
Office Expenses	12.33	15.98
Share of Loss from Body Corporate	1.82	-
Legal & Professional Charges	22.91	14.39
Advertisement & Promotion expenses	10.85	5.76
Conveyance	11.32	8.91
Repairs & Maintainance (Others)	12.87	8.16
Rent - Offices	15.41	13.88
Communication Charges	6.13	5.52
Travelling	5.76	6.82
Printing & Stationery	2.78	3.80
Business Promotion Expenses	6.41	2.98
Insurance Charges	1.83	1.82
Interest on Taxes	5.48	3.28
Provision for Bad & Doubtful Advances	1.66	1.47
Sundry Advances Written Off	0.25	0.30
Preliminary Exp Written Off	0.08	0.01
Sitting Fees	0.26	0.14
Donation	0.84	0.40
Miscellaneous Expenses	5.26	4.93
<b>Auditor's Remuneration</b>		
- Statutory Audit Fees	0.50	0.50
- Tax Audit Fees	-	0.15
- Limited Review, Consolidation & Certification Fees	0.21	0.21
- Other Consultancy Services	0.03	0.02
	<b>331.80</b>	<b>246.70</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### 3.08 DEPRECIATION AND AMORTISATION

	Year ended March 31, 2015	Year ended March 31, 2014
Depreciation on Tangible Assets	296.02	268.21
Amortisation of Intangible Assets	27.81	23.03
	<b>323.83</b>	291.24

(₹ in Crore unless stated otherwise)

### 3.09 FINANCE COST

	Year ended March 31, 2015	Year ended March 31, 2014
Interest and Finance Charges	128.63	105.20
Bank Charges	17.26	19.74
Foreign Exchange difference to the extent considered as an adjustment to finance cost	2.34	9.57
Mark to Market Losses on Derivatives (Net)	5.27	-
	<b>153.50</b>	134.51

(₹ in Crore unless stated otherwise)

### 3.10 EXCEPTIONAL ITEMS \*

	Year ended March 31, 2015	Year ended March 31, 2014
Depreciation reversal on account of change in method from WDV to SLM and change in estimate of life as per Schedule II of Companies Act, 2013	(83.82)	-
Marked down in value of Certain Assets towards abnormal wear and tear	29.69	-
Provision for Entertainment Tax of earlier years on settlement of litigation	3.07	-
Provision for Impairment of Tangible Assets	0.41	-
	<b>(50.65)</b>	-

\* Refer Note 4.03

(₹ in Crore unless stated otherwise)

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

Name of the Subsidiary and Body Corporate	Country of the Incorporation	Date on which it became Subsidiary	Ownership in % either directly or through Subsidiaries	
			March 31, 2015	March 31, 2014
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) (iv))	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	96.27%	93.88%
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%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

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

Name of the Subsidiary and Body Corporate	Country of the Incorporation	Date on which it became Subsidiary	Ownership in % either directly or through Subsidiaries	
			March 31, 2015	March 31, 2014
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%	71.85%
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	97.74%	97.40%
Hathway Mysore Cable Network Pvt.Ltd.	India	29.11.2003	75.70%	75.70%
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. (Refer Note No. 4.02 (B)(i))	India	01.06.2007	51.00%	51.00%
Hathway Sonali OM Crystal Cable Pvt Ltd (Refer Note No. 4.02 (B)(i))	India	01.01.2008	51.00%	51.00%
Hathway ICE Television Pvt Ltd	India	15.10.2007	51.00%	51.00%
Hathway Rajesh Multichannel Pvt.Ltd. (Refer Note No. 4.02 (B)(i))	India	01.10.2007	51.00%	51.00%
Net 9 Online Hathway Pvt Ltd*	India	01.03.2008	50.00%*	50.00%*
GPL 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 (Refer Note No. 4.02 (B)(i))	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 (Refer Note No. 4.02 (B)(i))	India	01.09.2008	51.00%	51.00%
Hathway Bhawani Cabletel & Datacom Ltd.	India	31.08.2009	51.60%	51.00%
Hathway Dattatray Cable Network Pvt Ltd (Refer Note No. 4.02 (B)(i))	India	01.07.2009	51.00%	51.00%
Hathway Kokan Crystal Cable Network Pvt. Ltd.	India	01.11.2010	90.00%	90.00%
Hathway SS Cable & Datacom LLP	India	08.10.2012	51.00%	51.00%
Hathway Broadband Private Limited	India	14.08.2014	100.00%	-

\* Subsidiary due to Board Control

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### (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, 2015	March 31, 2014
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, 2015	March 31, 2014
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, 2015	March 31, 2014
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 : Chhattisgarh Broadband Network 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%

### Subsidiaries of Hathway Bhawani Cabletel & Datacom Ltd.

	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2015	March 31, 2014
Hathway Bhawani NDS Network Pvt. Ltd.	India	13.10.2010	26.01%	26.01%

### Subsidiaries of GTPL Hathway Pvt. Ltd.

	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2015	March 31, 2014
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	45.10%	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	49.21%	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%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

Subsidiaries of GTPL Hathway Pvt. Ltd.	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2015	March 31, 2014
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%
Vaji Communication Pvt. Ltd.^^^	India	11.03.2014	25.50%	25.50%
GTPL Bansidhar Telelink Pvt. Ltd.	India	05.11.2014	25.50%	0.00%
GTPL DCPL Pvt. Ltd.	India	13.03.2015	25.50%	0.00%
GTPL KCBPL Broadband Pvt. Ltd.^and^^	India	03.11.2014	26.42%	0.00%

###Subsidiary due to Board Control

# The subsidiary company viz. GTPL Hathway Private Limited has invested in its subsidiary , however the same is now held for disposal, and has been carried at cost less provision for diminution.

^ Fellow subsidiary of GTPL through GTPL Kolkata Cable & Broadband Pariseva Limited

^^ The investment in the fellow company is partly held directly by GTPL 3.52% and partly through its subsidiary GTPL Kolkata Cable & Broadband Pariseva Limited (96.48%). Thus, effective control of GTPL in the said fellow subsidiary is 52.83%.

^^^ In the absence of availability of the audited financials of these subsidiary companies, consolidated financial statements for the financial year 2014-15 were prepared considering management account.

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

Joint Venture of GTPL Hathway Pvt. Ltd	Country of the Incorporation	Effective Ownership in Joint Venture	
		March 31, 2015	March 31, 2014
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%



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### Effective Ownership in Joint Venture

Joint Venture of GTPL Hathway Pvt. Ltd	Country of the Incorporation	Effective Ownership in Joint Venture	
		March 31, 2015	March 31, 2014
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	0.00%	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	0.00%	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%	28.50%
M/S. GTPL Khushaboo Video Channel	India	25.50%	25.50%

\*Joint Ventures incorporated based on management accounts.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

Name of Associate	March 31, 2015	March 31, 2014
GTPL Rajwadi Network Pvt Ltd.	12.50%	12.50%
Gujrat Television Private Limited	21.06%	10.00%

### 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 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 under the directions of the Bombay High Court and the Court Receiver has been appointed as the Receiver of the assets and business of the firm. The issues concerning accounts and dissolution including adjudicating upon the original claims and counter claims made before the earlier Arbitrator are referred to for fresh Arbitration. The matter is pending. There are no claims against the Company. In the mean time, the Court Receiver has fixed an ad hoc royalty of ₹ 0.005/- 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 & Binary Technology Transfers 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, 2014 : ₹ 0.01) and ₹ 0.01 (March 31, 2014 : ₹ 0.01) and Loans and advance of ₹ 1.59 (March 31, 2014 : ₹ 1.59), ₹ 1.59 (March 31, 2014 : ₹ 1.59) respectively which has been fully provided for in the books. In view of the above facts, the Group has not consolidated the Firm.

- ii) 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, 2015	March 31, 2014
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 Shiv Vision	01.06.2011	25.50%	25.50%
M/s. GTPL Lucky World Video	01.06.2008	25.50%	25.50%
M/S. SAI DL DIGITAL CABLE VISION *	01.04.2013	-	6.50%
M/s GTPL Hamidali Cable#	01.12.2009	25.50%	25.50%
M/s GTPL Aakash Cable Vision	01.04.2014	25.50%	0.00%
M/s GTPL So Lucky Cable Services	01.08.2014	25.50%	25.50%
M/s GTPL City Cable - Visavadar	30.03.2014	25.50%	25.50%
M/s GTPL Siddhi Digital Services	30.03.2014	25.50%	25.50%
M/s GTPL Sri Raghav G GTPL	30.03.2014	25.50%	25.50%
M/s GTPL Sky World Vision#	01.12.2009	25.50%	25.50%

\* These entities are Joint Venture of GTPL Hathway Private Limited, a subsidiary.

#These joint ventures were considered for consolidation in the consolidated financial statement of GTPL Hathway Private Limited for the financial year 2013-14

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

- iii) GTPL Hathway Pvt. Ltd. has investments in following joint ventures / partnership firms which were consolidated till 31st March, 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, 2015	March 31, 2014
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%

- iv) GTPL Hathway Pvt. Ltd. (GTPL), one of the subsidiary, of the Company has subsidiaries having investment in the following joint ventures / partnership firms, 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 Ownership in Joint Venture	
	March 31, 2015	March 31, 2014
M/S. Unity Cable Network*	13.01%	13.01%
M/S. Sai DL Vision**	6.63%	6.63%
M/S. DL Digital Cable Vision**	4.55%	4.55%
M/S. DL Sai Sanket**	6.63%	6.63%
M/S. Shivani Vision#	14.62%	0.00%
M/S. Shivshakti World#	14.62%	0.00%

\* Joint venture of GTPL Video Badshah Private Limited i.e., subsidiary of GTPL.

\*\* Joint venture of DL GTPL Cabnet Private Limited i.e., subsidiary of GTPL.

# The joint venture is of GTPL Parshwa Cable Network Private Limited i.e., subsidiary of GTPL.

- v) The Company has interest 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 consolidation, Consolidated Financial Statement for the year 2014-15 are prepared without considering financial statement of this Joint Venture. However the audited financial statements for the financial year 2013-14 received during the year has been considered. The difference between audited financial statement and unaudited financial statement for the financial year 2013-14, amounting to ₹ 2.97 (March 31, 2014 ₹ NIL) is included in prior period adjustment.

### B) Reasons for consolidation based on Management Accounts :

- i) The Company has interest of 51% in some of its subsidiaries namely Hathway MCN Pvt Ltd, Hathway Latur MCN Cable & Datacom Pvt Ltd, Hathway Rajesh Multichannel Private Limited, Hathway Sonali Om Crystal Cable Private Limited, Hathway Sai Star Cable & Datacom Pvt Ltd. and Hathway Dattatray Cable Network Private Limited. In the absence of availability of the Audited financials for the purposes of this consolidation, Consolidated Financial Statement for the year 2014-15 are prepared with considering the Management Accounts of these subsidiaries.
- ii) The Company has interest of 70% in one of its step down subsidiary namely, Hathway Bhaskar CCN Multi Entertainment (India) Pvt. Ltd. In the absence of availability of the Audited financials for the purposes of this consolidation, Consolidated Financial Statement for the year 2014-15 is prepared with considering the Management Accounts of this subsidiary.
- iii) The Company has interest of 51% in some of its step down subsidiaries 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 : Chhattisgarh Broadband Network Pvt Ltd) and has 70% holding in step down subsidiary namely Hathway Bhaskar CCN Multi Entertainment Pvt.Ltd. In the absence of availability of the Audited financials for the purposes of the consolidation, Consolidated Financial Statement for the financial year 2013-14 was prepared with considering the Management Accounts of these subsidiaries. The difference between audited financial statement and unaudited financial statement for the financial year 2013-14, amounting to ₹ 1.69 (March 31, 2014 ₹ -0.92), ₹ -0.10 (March 31, 2014 ₹ -0.08), ₹ 0.28 (March 31, 2014 ₹ -0.03) and ₹ -0.33 (March 31, 2014 ₹ 0.20) respectively is included in prior period adjustment.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

- iv) 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 for the purposes of this consolidation, Consolidated Financial Statement for the year 2013-14 was prepared with considering the Management Account of the subsidiary. The difference between audited financial statement and unaudited financial statement for the previous year, amounting to ₹ NIL (March 31, 2014 ₹0.94) is included in prior period adjustment.

### 4.03 EXCEPTIONAL ITEMS

The Group 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, 2014: ₹ 0.37), ₹ 23.45 (March 31, 2014: ₹ 23.45 ) and ₹ 0.05 (March 31, 2014: ₹ 0.05 ) respectively. The Company has made provision on overall basis of ₹ 0.37 (March 31, 2014: ₹ 0.32), ₹ 23.45 (March 31, 2014: ₹ 23.45) and ₹ 0.05 (March 31, 2014: ₹ 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.

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

### 4.05 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 year 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 year. 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.

### 4.06 Goodwill on Consolidation comprises of :

Particulars	March 31, 2015	March 31, 2014
Goodwill on Consolidation	238.05	231.11
Less :Capital Reserve on Consolidation	2.04	2.00
Net Goodwill on Consolidation	236.02	229.11

### 4.07 EMPLOYEE STOCK OPTION PLAN

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

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

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

Particulars	March 31, 2015		March 31, 2014	
	No. of Shares	Weighted Average Exercise Price	No. of Shares	Weighted Average Exercise Price
Total accounting value of Options Outstanding (A)	(0.70)		(0.34)	
Deferred Employee Compensation Expense	0.08		0.78	
Less: Amortized	0.08		0.78	
Net Deferred Employee Compensation Expense (B)	-		-	
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	(0.70)		(0.34)	

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

### Shares Underlying Options Outstanding

Sr. No.	Particulars	March 31, 2015		March 31, 2014	
		No. of Shares	Weighted Average Exercise Price	No. of Shares	Weighted Average Exercise Price
A	a Outstanding at the beginning of the year	1,61,299	124.10	2,65,299	116.73
	b Granted during the year	NIL	NIL	NIL	NIL
	c Forfeited/ Cancelled during the year	61,899	110.20	4,500	110.20
	d Forfeited/ Cancelled during the year	4,000	157.30	4,800	157.30
	e Exercised during the year option I	-	-	29,700	110.20
	f Exercised during the year option II	-	-	-	-
	g Expired during the year option I	65,200	110.20	59,200	110.20
	h Expired during the year option II	1,800	157.30	5,800	157.30
B	a Subdivision of Shares option I (Refer Note Number 4.17)	32,000	110.20	-	-
	b Subdivision of Shares option II (Refer Note Number 4.17)	81,600	157.30	-	-
C	Outstanding at the end of the year	1,42,000	26.23	1,61,299	124.10
D	Exercisable at the end of the year	1,42,000	26.23	1,61,299	124.10
E	Method of Settlement	Equity	Equity	Equity	Equity
F	Weighted average remaining contractual life (in months)		NIL		NIL
G	Weighted average Fair Value of Option granted during the year		NIL		NIL

#### 4.08 PRIOR PERIOD ITEMS

Detail of Prior Period Income and Expenses is as under:

Particulars	Year ended March 31,	
	2015	2014
<b>Income of earlier years credited to Statement of Profit and Loss</b>		
- Subscription Income	0.10	0.31
- Others	0.26	0.04
<b>Expenses of earlier years reversed and credited to Statement of Profit and Loss</b>		
- Electricity charges	0.31	-
- Other Operational cost	-	1.38

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)  
Year ended March 31,

Particulars	2015	2014
- Pay Channel Cost	0.12	0.15
- Salaries & Bonus	-	0.02
- Commission - Subscription	0.05	-
- Consultancy & Technical Fees	0.08	-
- Dark Fiber Cost	0.02	-
- Entertainment Tax	0.02	-
- Office Expenses	0.01	-
- Rate and Taxes	0.08	-
- Repair and Maint Exp	0.01	-
- Staff Incentive / Conveyance	0.02	-
- Telephone Charges	0.02	-
- Others (March 31, 2014; ₹ 32,361)	3.82	0.00
<b>TOTAL CREDIT (A)</b>	<b>4.92</b>	<b>1.90</b>
<b>Income of earlier years reversed and debited to Statement of Profit and Loss</b>		
- Subscription Income	0.07	1.64
- Placement Income	0.01	-
- Rental Income on STB ((₹ 5,556 (March 31, 2014; ₹ NIL)	0.00	-
- Others ((₹ NIL (March 31, 2014; ₹ 28,895)	-	0.00
<b>Expense of earlier years debited to Statement of Profit &amp; Loss Account</b>		
- Advertisement & Promotion expenses (March 31, 2014; ₹ 7,224)	0.06	0.00
- Other Operational cost	-	1.10
- Pay Channel Cost	0.06	1.12
- Rates & Taxes	0.01	0.01
- Bandwidth & Leaseline Cost	0.22	-
- Bonus	0.01	-
- Cost of Goods Sold - STB	0.02	-
- Courier Charges	0.01	-
- Dark Fiber Cost	0.01	-
- Depreciation - Set Top Boxes	0.50	-
- Electricity Expenses	0.02	-
- Entertainment Expenses	0.02	-
- Entertainment Tax	0.24	-
- General and administration expense	0.05	-
- Lease Line Charges	0.02	-
- Legal & Professional Expenses	0.66	-
-Office Expenses	0.01	-
-Travelling	0.02	-
- Others	1.98	0.61
<b>TOTAL DEBIT (B)</b>	<b>4.00</b>	<b>4.48</b>
<b>Net Debit / (Credit) to Statement of Profit and Loss (A-B)</b>	<b>(0.92)</b>	<b>2.57</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### 4.09 LEASES

#### (a) Finance Leases:

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

Due	Total minimum lease payments outstanding as at March 31, 2015	Interest not due	Present value of minimum lease payments as at March 31, 2014
Not Later than 1 year	128.60	17.03	111.57
	(132.41)	(32.60)	(99.81)
Later than 1 year and not later than 5 years	118.29	9.94	108.35
	(256.80)	(29.07)	(227.73)
Later than 5 years	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)
<b>TOTAL</b>	<b>246.89</b>	<b>26.97</b>	<b>219.92</b>
	(389.21)	(61.67)	(327.54)

Finance Lease obligation of Long-Term Borrowing (Ref: Note No: 2.03) include ₹ 221.73 payable to lessor under finance lease arrangement (March 31, 2014: ₹ 300.05).

#### (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.

#### (c) Details of Non-Cancellable Leases are as under:

Particulars	March 31, 2015	March 31, 2014
Rental Expense debited to Statement of Profit & Loss	9.02	9.17
Payable in the next one year	8.45	11.28
Payable after next one year but Before next five years	14.59	27.32
Payable after five years	1.27	-

#### (d) 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 ₹ 34.16 (March 31, 2014 : ₹ 18.16)

#### (e) Operating Leases (As Lessor):

Particulars	March 31, 2015	March 31, 2014
Gross Carrying Amount of assets capitalised as Plant & Machinery and given on operating lease	493.65	434.61
Depreciation for the year	57.46	58.47

#### (f) 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### 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	March 31, 2015 [Gratuity]	March 31, 2014 [Gratuity]
<b>1</b>	<b>Change in benefit obligations:</b>		
	Projected benefit obligations at beginning of the year	7.20	6.19
	Current Service Cost	1.67	1.27
	Interest Cost	0.46	0.69
	Benefits Paid	(1.92)	(0.93)
	Actuarial Gain / (Loss)	(0.09)	(0.02)
	<b>Projected benefit obligations at end of the year</b>	<b>7.32</b>	7.20
<b>2</b>	<b>Change in plan assets:</b>		
	Plan assets at the beginning of the year	6.35	4.97
	Expected return on plan assets	1.19	0.49
	Actuarial Gain / (Loss)	(0.67)	0.52
	Contributions	0.40	1.29
	Benefits Paid	(1.44)	(0.93)
	<b>Plan assets at the end of the year</b>	<b>5.83</b>	6.35
<b>3</b>	<b>Reconciliation of present value of the obligation and the fair value of plan assets</b>		
	Fair Value of plan assets at the end of the year	5.83	4.25
	Present value of the defined benefit obligations at the end of the year	7.02	5.51
	<b>Liability / (Asset) recognised in the Balance Sheet</b>	<b>1.18</b>	0.84
<b>4</b>	<b>Cost for the year</b>		
	Current Service Cost	1.78	1.31
	Interest Cost	0.46	0.40
	Expected return on plan assets	(1.19)	0.30
	Actuarial Gain / (Loss)	0.28	(0.55)
	<b>Net Cost recognised in the Statement of Profit &amp; Loss</b>	<b>1.33</b>	0.67
<b>5</b>	<b>Assumptions</b>		
	Interest rate for discount	8% - 10%	8.05 to 9.35%
	Estimated rate of return on plan assets	8% - 18%	8.48% to 11.38%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	7% - 10%	7.00 to 9.00 %
	Employee Attrition Rate ( Past service)	0-5 Year 12.46%	Factor of age - 2 - 10%
		5-40 years - 9.07%	and past experience



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

Above data pertains to Hathway Cable and Datacom Limited (Holding Company), Hathway Datacom Central Pvt Ltd (Wholly-owned subsidiary), Hathway Media Vision Private Limited (Wholly-owned subsidiary), GPL Hathway Pvt. Ltd. (Subsidiary due to control over its Board of Directors) and Hathway Bhawani Cabletel and Datacom Limited (Subsidiary) only. In the opinion of the management no material liabilities would arise on account of this Subsidiary. 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.

### (b) Defined Contribution Plans:

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

Benefits	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	7.32	5.51	6.19	4.80	3.59
Plan assets	5.83	4.25	4.97	3.61	3.10
Surplus/(Deficit)	(1.18)	(0.84)	(1.23)	(1.19)	(0.49)
Experience adjustment on obligation - gain/(loss)	(0.09)	(0.02)	0.15	(0.03)	0.27
Experience adjustment on plan assets - gain/(loss)	(0.67)	0.52	(0.01)	(0.17)	(0.01)
Experience adjustment (best estimate) to funded plans in subsequent finance year	0.58	(0.55)	0.16	0.14	0.28

### 4.11 CONTINGENT LIABILITIES

Particulars	March 31, 2015	March 31, 2014
Counter indemnity given by the Company favoring the bankers for having given bank guarantees	9.91	4.22
Outstanding Letter of Credit	77.98	19.35
<b>Total</b>	<b>87.89</b>	<b>23.57</b>

- Few Boardcasters and the Company have made claims and counter claims against each other relating to pay channel cost. Claims of such broadcasters, not acknowledged as liabilities, aggregate to ₹ 22.73 (March 31, 2014: ₹ 8.09) to the extent ascertained and not settled, are disclosed under contingent liabilities as Claims against the Company not acknowledged as debts.
- In the state of Telangana, VAT authorities have considered Set Top Boxes deployed as sale and raised demand of ₹ 18.05 (March 31, 2014 : ₹ 18.05) for the period April, 2011 to May 31, 2013. The Company's appeal is pending before Tribunal. The Company has deposited 50% of the amount demanded. The authorities have also levied penalty @ 100% of demand without giving an opportunity of hearing. On writ petition, Andhra Pradesh High Court has directed to initiate fresh proceedings. Since this demand was based on an advance ruling order given by relevant authority in some other case, the Company being an affected party, has filed review petition before the Advance Ruling authority. The matter has been admitted and heard, however, the decision is awaited.
- In view of circular dated December 17, 2012 of the Delhi Entertainment Tax Department, MSOs are responsible for collection and payment of Entertainment Tax effective April 1, 2013, while LCOs are liable to collect and pay tax till that date. Pursuant to this circular, an assessment order has been passed against the Company raising a demand of ₹ 5.85 (including penalty of ₹ 2.89 & interest of ₹ 0.07) for the months of April 2013 and May 2013. Aggrieved by the said assessment order, the Company has challenged the vires of the above amendment brought about by the Entertainment Tax department by way of issue of a circular, instead of amending the charging section of the relevant Act and has filed a Writ petition before the High Court of Delhi. The petition was admitted and stay has been granted. While the Honorable High Court is yet to decide in the matter, the authorities have passed two assessment orders, first for the period June 2013 to March 2014 raising a demand of ₹ 23.37 (including penalty and interest of ₹ 12.26) and second for the period April 2014 to March 2015 for ₹ 29.75 (including interest and penalty of ₹ 15.65). In response to stay application filed by the Company against the fresh assessment orders, the honorable High Court has directed the department not to take any coercive measures against the Company till the writ petition is disposed off.

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

- d) Entertainment Tax Officer, Pune has raised demand for Entertainment Tax on secondary points up to October, 2014 amounting to ₹ 4.57. Writ petition has been filed before the Bombay High Court challenging the demand. Another writ petition has also been filed challenging the constitutional validity, enforceability and legality of the amendment in the Maharashtra Entertainments Duty Act, 1923 brought about w e f June 25, 2014.
- e) Karnataka VAT Department has reassessed VAT liabilities for the financial Years 2011-12, 2012-13 and 2013-14 stating that the amount realized as activation charges is sale of STBs and liable to VAT. The total tax liability is determined at ₹ 10.28. The honorable High Court has admitted the writ petition and has granted an order of stay of the recovery of taxes.
- f) An Ex-parte Assessment order was passed by the Commercial Tax Dept. of Madhya Pradesh (M.P.), for the period July, 2011 to March, 2012 arriving at a demand of ₹ 0.81. An application has been filed before the hon'ble Settlement Authority on November 22, 2011 and the same is pending adjudication.
- g) The relevant officer under the West Bengal Value Added Tax Act, 2003 had initiated proceedings to assess VAT liability of GTPL Kolkata Cable & Broadband Pariseva Ltd. i.e. subsidiary of one of our subsidiary GTPL Hathway Private Limited for the financial year 2011-12. However, due to absence of books and related documents for the assessment, the relevant officer acting on Nil returns filed by the company, had completed best judgment assessment and demanded ₹ 3.15 towards the VAT liability for the financial year 2011-12. Thus, this may result into the contingent liability upto ₹ 3.15 (excluding interest and penalties levied under the related provisions of the Act) for the company.
- h) Hathway Datacom Central Pvt. Ltd, one of our subsidiary 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 Honb'le 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 Honb'le Rajasthan Tax Board, Ajmer has allowed the appeal of the company on the same issue by deleting the demand for ₹ 4 for the period March 2006 to Dec 2006 vide its order dated 29.10.2010.

Commercial Tax department has filed an appeal before the Hon'ble High Court of Rajasthan, Jaipur Bench against the order of Hon'ble Rajasthan Tax Board. The Honb'le High Court of Rajasthan, Jaipur Bench vide its order dated 08th May-2015 quashed & set aside the order of Rajasthan Tax Board and upheld the order of the DC (A) and AO. The Company has decided and in process to file an appeal before Hon'ble Supreme Court against such order.

- i) Pursuant to the enactment of the Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyapan Kar Adhinyam 2011, ( 2011 Act ) the Government of the Madhya Pradesh has levied Entertainment Tax on the Cable Operators w.e.f 01.04.2011. Accordingly Hathway Datacom Central Pvt. Ltd, one of our subsidiary 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 characterized 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. 9th April, 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 characterized 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 27th February 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 appellat 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

the Hon'ble High Court of the Madhya Pradesh the company has deposited balance of undisputed tax liability of ₹ 77.71 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 Lacs for the period ended 27-02-2012. Settlement Authority has rejected the application vide order dated 26.08.2014. Thereafter, the company filed a writ petition before the Hon'ble High Court of Indore Bench challenging the order passed by Settlement Authority. Hon'ble High court of Madhya Pradesh Indore bench passed interim order on 26.11.2014 and directed to company to deposit the entire tax and 25% of penalty amount and provide bank guarantee of remaining 75% of penalty amount. In compliance of order of Hon'ble High Court of Madhya Pradesh Indore Bench, the company has deposited entire tax of ₹ 3.23, ₹ 1.62 as 25% of the penalty and also submit bank guarantee of ₹ 4.85 for 75% of the penalty amount. The matter is pending for adjudication before the Hon'ble High Court of Madhya Pradesh Indore Bench. In view of the management said rejection of settlement application is not valid and Entertainment Tax & penalty is levied by the department is bad in law, unreasonable and unconstitutional and thus, illegal, hence the company has not provided for the said demand. And accordingly, amount deposited shown as non-current assets in its financial statement.

- j) Hathway Datacom Central Pvt. Ltd, one of our subsidiary 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 ₹ 6.16 of which ₹ 1.39 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 ₹ 1.39 paid to the Claimants along with interest thereon. The company was contesting the matter before the arbitrator and as per arbitration award dated 23-12-2014, the company has paid ₹ 1.30 to Mr. Sushil Chand Pagaria (Claimant) as full & final settlement, out of the amount of ₹ 1.39 payable by the company and accordingly the company has written back the balance amount of ₹ 0.09 during the year.

### k) Income Tax Matters

Particulars	March 31, 2015	March 31, 2014
Income Tax matter under appeal		
(Of the above an amounts of ₹ 2.52 (March 31, 2014: ₹ 2.52) has already been deposited with Income Tax Department)	9.24	9.24

### l) Other Claims against the Company not acknowledged as debts are as under:

Particulars	March 31, 2015	March 31, 2014
Disputes with Operators	7.41	6.03
Matters with Entertainment Tax Department in the city of Thane, Aurangbad, Agra, Ghaziabad, Hyderabad, Gwalior and Delhi	7.85	2.74
Matters with Other Statutory Departments	0.06	0.05
Matters with VAT department in the State of Maharashtra	3.94	0.93
Matters with Service Tax department	0.16	-
Matters with Commercial Tax department Madhya Pradesh	0.81	-
<b>Total</b>	<b>20.23</b>	<b>9.75</b>

## 4.12 SEGMENTAL REPORTING

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### 4.13 RELATED PARTY DISCLOSURES

<b>A</b>		
<b>Entities under control but not considered for Consolidation</b>		
	Others	Hathway Space Vision (Refer Note No. 4.2 (A) (i))
<b>B</b>		
<b>Others</b>		
1	Associate Company:	Hathway VCN Cabletnet Pvt. Ltd. Pan Cable Services Pvt. Ltd.
2	Entities own or Significant influence by individual having significant influence of on the company	Coronet Investment Pvt Ltd Manali Investment and Finance Pvt Ltd Sonata Information Technology Ltd Peninsula Estates Pvt Ltd Asianet Communications Pvt. Ltd.
3	Promoter - Directors	Akshay Rajan Raheja Viren Rajan Raheja
4	Key Managerial Personnel and Relatives	Jagdishkumar G Pillai - Managing Director G Satish Kumar ( Relative of Key Managerial Person)
5	Others	Exide Life Insurance Company Limited

### C Related Party Transactions

(₹ in Crore unless stated otherwise)

Type of Transaction	Name of the Party	March 31, 2015	March 31, 2014
Net Advances Recovered During the Year	Hathway VCN Cabletnet Pvt. Ltd.	0.01	-
Rent Office	Coronet Investment Pvt Ltd	0.20	0.20
	Manali Investment and Finance Pvt Ltd	0.22	0.22
	Peninsula Estates Pvt Ltd	0.10	0.10
	Viren Rajan Raheja	1.29	-
	Akshay Rajan Raheja	1.32	-
Other Expenses	Exide Life Insurance Company Limited	0.20	-
	Viren Rajan Raheja	0.05	-
	G.Satishkumar	-	0.07
	Others	0.29	-
Remuneration and Perquisites	Key Managerial Personnel	1.93	2.11
Purchase of assets	Sonata Information Technology Ltd.	1.53	4.29
Investments	Hathway VCN Cabletnet Pvt. Ltd.	-	0.10
Loans & Advances	Hathway VCN Cabletnet Pvt. Ltd.	5.50	5.51
	Pan Cable Services Pvt. Ltd.	0.59	0.59
	Key Managerial Personnel	-	0.29
Security Deposit Given	Viren Rajan Raheja	1.26	1.26
	Akshay Rajan Raheja	1.26	1.26
Rental Income on Equipments	Asianet Communications Pvt. Ltd.	0.06	-

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

### 4.14 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 ₹ 70.98 (March 31, 2014: ₹ 144.14).

### 4.15 UNHEDGED FOREIGN CURRENCY EXPOSURE:

Currency	March 31, 2015			March 31, 2014		
	Amount in Foreign Currency	Exchange Rate	Amount	Amount in Foreign Currency	Exchange Rate	Amount
<b>Secured Loans</b>						
USD	12,97,38,573	62.50	810.82	6,90,00,027	59.91	413.38
JPY	-	-	-	34,68,82,455	0.58	20.14
<b>Accounts Payables</b>						
USD	1,63,83,878	62.37	102.19	2,12,26,936	60.70	128.24
JPY	1,81,92,286	0.52	0.95	1,97,48,408	0.58	1.15
<b>Other Firm Commitments</b>						
USD	1,23,69,255	62.51	77.31	1,26,50,663	59.91	75.79
JPY	1,11,08,564	0.52	0.58	97,06,342	0.58	0.56
<b>Accounts Receivables</b>						
USD	-	-	-	77,50,000	59.91	46.43

Above data pertains to Hathway Cable & Datacom Limited (Holding Company), Hathway Datacom Central Pvt. Ltd. (subsidiary) and GTPL 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.

### 4.16 DEFERRAL/CAPITALIZATION OF EXCHANGE DIFFERENCES

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

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

### 4.17 EARNINGS \ (LOSS) PER SHARE

Particulars	March 31, 2015	March 31, 2014
Profit \ (Loss) after tax (but including prior period adjustment, adjustment for change in policy by a subsidiary, profit share of associates and Minority Interest)	(180.45)	(111.11)
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Basic EPS	79,71,43,815	74,09,10,810
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Diluted EPS	79,71,43,815	74,09,10,810
Nominal value of ordinary shares (₹) (Face Value restated) *	2	2
Basic EPS before extraordinary items (₹)	(2.26)	(1.50)
Diluted EPS before extraordinary items (₹)	(2.26)	(1.50)
Basic EPS after extraordinary items (₹)	(2.26)	(1.50)
Diluted EPS after extraordinary items (₹)	(2.26)	(1.50)

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

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

4.18 Rupee figures are mentioned in Crore unless otherwise stated.

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

Particulars	March 31, 2015		March 31, 2014	
	Amount Proposed	Amount utilized	Amount Proposed	Amount utilized
<b>Utilization of funds</b>	Amount Proposed		Amount Proposed	
Acquisition of Customers	15.00	15.00	15.00	13.08
Investment in the development of digital capital expenditure, services and set top boxes	325.00	325.00	325.00	325.00
Investment in the development of broadband infrastructure, capital expenditure and services				
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
<b>Total</b>	<b>580.00</b>	<b>580.00</b>	580.00	580.00
Less: To be funded by Borrowings	100.00	100.00	100.00	100.00
<b>Total</b>	<b>480.00</b>	<b>480.00</b>	480.00	480.00
<b>Balance Unutilised</b>	-	-	-	-
<b>Utilization of Equity funds allotted during the financial Year</b>				
General Corporate Purpose as per the objects stated in the respective offer letters	451.20	347.09	-	-
<b>Total</b>	<b>451.20</b>	<b>347.09</b>	480.00	480.00

Unutilized Balance has been invested as stated below:

	March 31, 2015	March 31, 2014
Mutual funds	89.11	-
Parked in Cash Credit	15.00	-
<b>Total</b>	<b>104.11</b>	-

4.20 Additional Information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as Subsidiary / Associates / Joint Ventures.

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
Hathway Cable and Datacom Limited	51.30%	869.15	97.12%	(175.24)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Subsidiaries</b>				
<b>Indian</b>				
Channels India Network Pvt.Ltd.	-0.08%	(1.32)	0.00%	(0.00)
Vision India Network Pvt.Ltd.	-0.12%	(2.06)	0.00%	(0.00)
Liberty Media Vision Pvt.Ltd.	-0.13%	(2.24)	0.06%	(0.11)
Ideal Cables Pvt.Ltd.	-0.05%	(0.81)	0.00%	(0.01)
Hathway Channel 5 Cable & Datacom Pvt. Ltd. (Refer Note No. 4.02 (B) (iv))	0.04%	0.69	0.77%	(1.39)
Bee Network & Communication Pvt.Ltd.	-0.08%	(1.34)	0.00%	(0.00)
Elite Cable Network Pvt.Ltd.	0.00%	(0.02)	0.00%	(0.00)
Binary Technology Transfers Pvt.Ltd.	-0.10%	(1.62)	0.00%	0.00
Hathway Media Vision Pvt.Ltd.	-0.09%	(1.59)	-2.44%	4.40
UTN Cable Communication Pvt.Ltd.	0.37%	6.31	0.03%	(0.05)
ITV Interactive Media Pvt.Ltd	-0.02%	(0.42)	0.00%	(0.00)
Chennai Cable Vision Network Pvt.Ltd.	-0.12%	(1.97)	0.00%	(0.00)
Hathway Universal Cabletel & Datacom Pvt. Ltd.	0.00%	-	0.00%	(0.00)
Win Cable and Datacom Pvt. Ltd.	-1.16%	(19.57)	-0.09%	0.17
Hathway Space Vision Cabletel Pvt.Ltd.	-0.06%	(1.04)	0.00%	(0.00)
Hathway Software Developers Pvt.Ltd.	-0.14%	(2.30)	1.78%	(3.21)
Hathway Nashik Cable Network Pvt.Ltd.	-0.58%	(9.76)	0.01%	(0.02)
Hathway Cnet Pvt.Ltd.	-0.03%	(0.43)	0.00%	(0.00)
Hathway United Cables Pvt.Ltd.	0.00%	(0.02)	0.00%	0.00
Hathway Internet Satellite Pvt.Ltd.	-0.10%	(1.61)	0.00%	0.00
Hathway Krishna Cable Network Pvt.Ltd.	1.35%	22.95	-1.46%	2.63
Hathway Mysore Cable Network Pvt.Ltd.	-0.02%	(0.35)	2.47%	(4.45)
Hathway Prime Cable & Datacom Pvt.Ltd.	-0.02%	(0.29)	-0.29%	0.52
Hathway Gwalior Cable & Datacom Pvt.Ltd.	-0.04%	(0.63)	-0.02%	0.04
Hathway Digital Saharanpur Cable & Datacom Pvt Ltd	-0.07%	(1.13)	0.60%	(1.08)
Hathway Enjoy Cable Network Pvt.Ltd.	0.00%	0.01	0.00%	(0.00)
Hathway JMD Farukhabad Cable & Datacom Pvt.Ltd.	0.00%	-	0.00%	0.01
Hathway MCN Pvt.Ltd. (Refer Note No. 4.02 (B) (i))	0.75%	12.74	-1.77%	3.20
Hathway Sonali OM Crystal Cable Pvt Ltd (Refer Note No. 4.02 (B) (i))	0.81%	13.64	2.59%	(4.67)
Hathway ICE Television Pvt Ltd	-0.03%	(0.59)	0.27%	(0.49)
Hathway Rajesh Multichannel Pvt.Ltd. (Refer Note No. 4.02 (B) (i))	0.41%	6.99	0.33%	(0.60)
Net 9 Online Hathway Pvt Ltd	0.17%	2.83	-0.15%	0.27
GTPL Hathway Pvt.Ltd.(Formerly known as: Gujrat Telelink Pvt Ltd)	26.25%	444.68	-17.98%	32.44



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(₹ in Crore unless stated otherwise)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Hathway Datacom Central Pvt Ltd (Formerly known as: Hathway Bhaskar Multinet Pvt Ltd)	2.59%	43.93	16.84%	(30.38)
Hathway Bhaskar CCN Multinet Pvt. Ltd.	0.47%	8.02	-0.30%	0.54
Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	0.33%	5.63	-0.46%	0.82
Hathway Bhaskar CBN Multinet Pvt. Ltd.	0.19%	3.29	-0.06%	0.11
Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.	0.04%	0.61	-0.36%	0.65
Hathway New Concept Cable & Datacom Pvt Ltd	0.42%	7.04	-6.24%	11.26
Hathway Latur MCN Cable & Datacom Pvt Ltd (Refer Note No. 4.02 (B) (i))	-0.02%	(0.42)	-0.10%	0.19
Hathway Cable MCN Nanded Pvt Ltd	0.05%	0.92	-0.14%	0.25
Hathway Palampur Cable Network Pvt Ltd	0.07%	1.16	-0.03%	0.05
Hathway Mantra Cable & Datacom Pvt Ltd	-0.15%	(2.52)	0.60%	(1.08)
Hathway Sai Star Cable & Datacom Pvt Ltd (Refer Note No. 4.02 (B) (i))	2.73%	46.19	3.30%	(5.95)
Hathway Bhawani Cabletel & Datacom Ltd.	-0.42%	(7.17)	1.60%	(2.90)
Hathway Dattatray Cable Network Pvt Ltd (Refer Note No. 4.02 (B) (i))	0.12%	1.95	1.02%	(1.84)
Hathway Kokan Crystal Cable Network Pvt. Ltd.	0.20%	3.37	0.16%	(0.28)
Hathway SS Cable & Datacom LLP	0.11%	1.92	0.10%	(0.19)
Hathway Broadband Private Limited	0.15%	2.51	0.00%	0.01
<b>Joint Venture</b>				
<b>Indian</b>				
Hathway Sukhamrit Cable and Datacom Private Limited (Refer Note No. 4.02(A)(v))	0.42%	7.10	-4.15%	7.48
<b>Total</b>	100.00%	1,694.34	100.00%	(180.43)

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

**4.22** For one of the subsidiary named GTPL Hathway Pvt. Ltd., the figures during the previous financial year have been consolidated based on audited calendar year and thereafter significant transactions were considered for the quarter ending March 2014. However in view of amendment to Companies Act 2013 regarding the requirement for preparation of financial statements on the financial year basis, the account of such subsidiary during the current year has been consolidated based on audited financial year and considering the residual transactions for the quarter ending March 2014.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

- 4.23** The Company has its presence in various cities, which form part of phase III of DAS rollout in terms of TRAI regulations, including Hyderabad where DAS rollout is sub-judice. Preparatory to DAS rollout dates in each of these markets, the Company has established required infrastructure. The monetization of these investments is subject to successful DAS rolled out.
- 4.24** The Company has booked INR USD Cross Currency Swap Contracts of USD 3.50 (March 31, 2014 : NIL ) against the underlying INR borrowing of ₹ 215.71 (March 31, 2014 : ₹ NIL). The actual interest earned on notional INR deposit, interest paid on notional USD borrowing and marked to market loss on USD exposure aggregating net loss of ₹ 5.27 (March 31, 2014 : ₹ NIL) are included in interest expenses under finance cost in note number 3.09 in Notes to the financials Statement.
- 4.25** During the year under review, the Company has not capitalized any borrowing cost in the absence of acquisition of any qualifying assets.
- 4.26** The enactment of the Companies Act, 2013 requires that the Company should reassess useful life of its fixed assets and provide depreciation based on such re-assessment with effect from April 1, 2014. The Company has decided to provide depreciation on all fixed assets, except Set top boxes on straight line basis (SLM) as against written down value basis (WDV) based on useful life specified in Schedule II to the said Act. There is no change in the method of depreciation for Set top boxes.
- This change has resulted in net surplus of ₹ 83.82 (March 31, 2014 ; ₹ NIL) and is disclosed under as Exceptional Items. Had the Company continued to use the earlier method of depreciation, the debit to the Statement of Profit and Loss after tax for the current period ( year to date) would have been higher by ₹ 38.43 (March 31, 2014 ; ₹ NIL)
  - Based on transitional provision provided in Note 7(b) of Schedule II to the Act, the charge to retained earnings in respect of assets having no useful life as on the effective date, net of deferred tax is ₹12.56 (March 31 2014 ; ₹ NIL).
- 4.27** Previous year figures have been rearranged and regrouped wherever necessary.

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

**VIREN THAKKAR**  
 Partner  
 Membership No : 49417

Mumbai  
 Dated: May 29, 2015

**GANAPATHY SUBRAMANIAM**  
 Chief Financial Officer

**AJAY SINGH**  
 FCS - 5189  
 Company Secretary & Compliance Officer

**For and on behalf of the Board**

**JAGDISHKUMAR G PILLAI**  
 DIN : 00036481  
 Managing Director & C.E.O

**VINAYAK AGGARWAL**  
 DIN : 00007280  
 Director

Mumbai  
 Dated: May 29, 2015









## Hathway Cable & Datacom Limited

CIN: L64204MH1959PLC011421  
Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road,  
Santacruz (West), Mumbai 400 054 Tel: 91-22-26001306 Fax: 91-22-26001307  
Email: 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]

Registered Folio No./DP ID No. / Client ID No.;	
Name and address of the	
Member(s)	
Joint Holder 1	
Joint Holder 2	
Number of Shares held:	

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

I hereby record my presence at the 55th Annual General Meeting of the Company at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400049 on Tuesday, 11th August, 2015 at 3.00 p.m.

\_\_\_\_\_  
Name of the member / proxy

\_\_\_\_\_  
Signature of member / proxy

Note:

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



**PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.**

<b>EVSN (Electronic Voting Sequence Number)</b>	<b>*Default PAN</b>
150701018	USE YOUR PAN

\*Only Member who have not updated their PAN with Company / Depository Participant shall use default PAN in the Pan field.

Note: Please read the instructions printed in the Notice of 55th Annual General Meeting dated 29th May 2015. The Voting period starts from Friday, 07th August 2015 at 10.00 am and ends on Monday, 10th August 2015 at 5.00 pm. The voting module shall be disabled by CDSL for voting thereafter







## Hathway Cable & Datacom Limited

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Santacruz (West), Mumbai 400 054 Tel: 91-22-26001306 Fax: 91-22-26001307  
Email: info@hathway.net

### MGT - 11

### PROXY FORM

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

#### 55th Annual General Meeting – 11th August, 2015

Name of the Member(s) : \_\_\_\_\_  
Registered Address : \_\_\_\_\_  
Email ID : \_\_\_\_\_  
Folio No. / Client ID : \_\_\_\_\_  
DP ID : \_\_\_\_\_

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_ Email Id : \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_  
or failing him
2. Name: \_\_\_\_\_ Email Id : \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_  
or failing him
2. Name: \_\_\_\_\_ Email Id : \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 55th Annual General Meeting of the Company, to be held on Tuesday, 11th August, 2015 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
	<b>Ordinary Business</b>			
1	Adoption of audited Balance Sheet, Profit & Loss Account, Directors Report and Auditors Report for the financial year ended 31st March 2015.			
2	To appoint a Director in place of Mr. Viren Raheja, (DIN 00037592), liable to retire by rotation and being eligible seeks reappointment.			
3	To appoint a Director in place of Mr. Vinayak Aggarwal, (DIN 00007280), liable to retire by rotation and being eligible seeks reappointment.			
4	To appoint a Director in place of Mr. Biswajit Subramanian, (DIN 00905348), liable to retire by rotation and being eligible seeks reappointment.			
5	To ratify the appointment of M/s. G. M. Kapadia & Co., Chartered Accountants as Auditors of the Company.			
<b>SPECIAL BUSINESS</b>				
6	To appoint Ms. Ameeta Parpia (DIN 02654277) as an Independent Director upto 10th February, 2020.			
7	To appoint Ashok Agarwal & Co as Cost Auditors of the Company.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
revenue  
Stamp of  
Re. 1/-

#### 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.



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Hathway Cable & Datacom Limited

[www.hathway.com](http://www.hathway.com)

Toll Free No. 1800-221-119



## CORRIGENDUM

[I] In Note No. 4.20 pertaining to “Additional Information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as Subsidiary/Associate/Joint Ventures” to Notes to the Consolidated Financial Statements for the financial year ended 31<sup>st</sup> March, 2015, contained in the Annual Report sent physically and electronically and also submitted to the National Stock Exchange of India Limited, BSE Limited, National Securities Depository Limited and Central Depository Services (India) Limited, incorrect data was erroneously and inadvertently printed and circulated. The same should be read as below:

(Rs. In Crores unless stated otherwise)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
Hathway Cable and Datacom Limited	59.84%	869.15	97.12%	(175.24)
<b>Subsidiaries</b>				
<b>Indian</b>				
Channels India Network Pvt.Ltd.	-0.09%	(1.32)	0.00%	(0.00)
Vision India Network Pvt.Ltd.	-0.14%	(2.06)	0.00%	(0.00)
Liberty Media Vision Pvt.Ltd.	-0.15%	(2.24)	0.06%	(0.11)
Ideal Cables Pvt.Ltd.	-0.06%	(0.81)	0.00%	(0.01)
Hathway Channel 5 Cable & Datacom Pvt. Ltd. (Refer Note No. 4.02 (B) (iv))	0.02%	0.35	0.77%	(1.39)
Bee Network & Communication Pvt.Ltd.	-0.09%	(1.34)	0.00%	(0.00)
Elite Cable Network Pvt.Ltd.	0.00%	(0.02)	0.00%	(0.00)
Binary Technology Transfers Pvt.Ltd.	-0.11%	(1.62)	0.00%	0.00
Hathway Media Vision Pvt.Ltd.	-0.11%	(1.59)	-2.44%	4.40
UTN Cable Communication Pvt.Ltd.	0.43%	6.31	0.03%	(0.05)
ITV Interactive Media Pvt.Ltd	-0.03%	(0.42)	0.00%	(0.00)
Chennai Cable Vision Network Pvt.Ltd.	-0.14%	(1.97)	0.00%	(0.00)
Hathway Universal Cabletel& Datacom Pvt. Ltd.	0.00%	(0.00)	0.00%	(0.00)
Win Cable and Datacom Pvt. Ltd.	-1.35%	(19.57)	-0.09%	0.17
Hathway Space Vision CabletelPvt.Ltd.	-0.07%	(1.04)	0.00%	(0.00)
Hathway Software Developers Pvt.Ltd.	-0.16%	(2.30)	1.78%	(3.21)
Hathway Nashik Cable Network Pvt.Ltd.	-0.67%	(9.76)	0.01%	(0.02)
Hathway Cnet Pvt.Ltd.	-0.03%	(0.43)	0.00%	(0.00)
Hathway United Cables Pvt.Ltd.	0.00%	(0.02)	0.00%	0.00
Hathway Internet Satellite Pvt.Ltd.	-0.11%	(1.61)	0.00%	0.00
Hathway Krishna Cable Network Pvt.Ltd.	1.57%	22.78	-1.46%	2.63
Hathway Mysore Cable Network Pvt.Ltd.	-0.02%	(0.35)	2.47%	(4.45)
Hathway Prime Cable & Datacom Pvt.Ltd.	-0.02%	(0.29)	-0.29%	0.52
Hathway Gwalior Cable & Datacom Pvt.Ltd.	-0.04%	(0.63)	-0.02%	0.04
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd	-0.08%	(1.13)	0.60%	(1.08)
Hathway Enjoy Cable Network Pvt.Ltd.	0.00%	0.01	0.00%	(0.00)
Hathway JMD Farukhabad Cable & Datacom Pvt.Ltd.	0.00%	0.00	0.00%	0.01
Hathway MCN Pvt.Ltd. (Refer Note No. 4.02 (B) (i))	0.51%	7.35	-1.77%	3.20
Hathway Sonali OM Crystal Cable Pvt. Ltd (Refer Note No. 4.02 (B) (ii))	0.94%	13.64	2.59%	(4.67)
Hathway ICE Television Pvt. Ltd	-0.04%	(0.59)	0.27%	(0.49)
Hathway Rajesh Multichannel Pvt.Ltd. (Refer Note No. 4.02 (B) (i))	0.43%	6.30	0.33%	(0.60)

### Hathway Cable & Datacom Limited

805/806, “Windsor”, Off. C.S.T. Road, Kalina, Santacruz (E), Mumbai - 400 098. Tel.: +91 22 6774 2500 Fax : +91 22 6774 2400

Regd. Off.: “Rahejas” 4th Floor, Main Avenue, Santacruz (W), Mumbai - 400 054. Website: www.hathway.com

CIN : L64204MH1959PLC011421



Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Net 9 Online Hathway Pvt. Ltd	0.17%	2.40	-0.15%	0.27
GTPL Hathway Pvt.Ltd.(Formerly known as: Gujarat Telelink Pvt. Ltd)*(Refer Note No. 4.22)	16.63%	241.47	-17.98%	32.44
Hathway Datacom Central Pvt. Ltd (Formerly known as: Hathway BhaskarMultinet Pvt. Ltd)	3.02%	43.93	16.84%	(30.38)
Hathway Bhaskar CCN Multinet Pvt. Ltd.	0.45%	6.53	-0.30%	0.54
Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	0.31%	4.47	-0.46%	0.82
Hathway Bhaskar CBN Multinet Pvt. Ltd.	0.14%	2.07	-0.06%	0.11
Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd. (Refer Note No. 4.02 (B) (ii))	0.04%	0.56	-0.36%	0.65
Hathway New Concept Cable & Datacom Pvt. Ltd	0.37%	5.44	-6.24%	11.26
Hathway Latur MCN Cable & Datacom Pvt. Ltd (Refer Note No. 4.02 (B) (i))	-0.03%	(0.42)	-0.10%	0.19
Hathway Cable MCN Nanded Pvt. Ltd	0.03%	0.49	-0.14%	0.25
Hathway Palampur Cable Network Pvt. Ltd	0.04%	0.60	-0.03%	0.05
Hathway Mantra Cable & Datacom Pvt. Ltd	-0.17%	(2.52)	0.60%	(1.08)
Hathway Sai Star Cable & Datacom Pvt. Ltd (Refer Note No. 4.02 (B) (i))	1.61%	23.34	3.30%	(5.95)
Hathway BhawaniCabletel& Datacom Ltd.*	-0.50%	(7.26)	1.60%	(2.90)
Hathway Dattatray Cable Network Pvt. Ltd (Refer Note No. 4.02 (B) (i))	0.07%	0.95	1.02%	(1.84)
Hathway Kokan Crystal Cable Network Pvt. Ltd.	0.21%	3.06	0.16%	(0.28)
Hathway SS Cable & Datacom LLP	0.07%	0.99	0.10%	(0.19)
Hathway Broadband Private Limited	0.17%	2.51	0.00%	0.01
<b>Minority interests in all subsidiaries</b>	16.66%	241.93	6.39%	(11.53)
<b>Associates (Investments as per equity method)</b>				
<b>Indian</b>				
Hathway VCN Cablenet Pvt. Ltd.	-	-	-	-
Pan Cable Services Pvt. Ltd	-	-	-	-
<b>Joint Venture (As per proportionate consolidation method)</b>				
<b>Indian</b>				
Hathway Sukhamrit Cable and Datacom Private Limited (Refer Note No. 4.02(A)(v))	0.49%	7.10	-4.15%	7.48
<b>Total</b>	100.00%	1,452.39	100.00%	(180.43)

\*on consolidated basis

[II] Further on page no. 90, in point no. f(ii) of the Independent Auditor's Report to the Standalone Financial Statements, there was an erroneous reference of Note 4.19 instead of Note 4.20. The aforesaid point no. f(ii) should be read as below:

"ii. The Company has made provision as required under the applicable law or accounting standard for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 4.20 to the financial statements."

The other information and details remains unchanged. We regret the inconvenience caused in this behalf.

**FOR HATHWAY CABLE & DATACOM LIMITED**

Sd/-

**AJAY SINGH**

*Company Secretary & Compliance Officer*

FCS No: 5189

Date: 31<sup>st</sup> July, 2015

**Hathway Cable & Datacom Limited**

805/806, "Windsor", Off. C.S.T. Road, Kalina, Santacruz (E), Mumbai - 400 098. Tel.: +91 22 6774 2500 Fax : +91 22 6774 2400

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