

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 ¹
3	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Andhra Pradesh High Court	May 2005 to June 2006	0.58
4	Uttar Pradesh Entertainment Tax Rules	Entertainment Tax	District Magistrate, Agra	July 2013 - January 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 ²
7	The Maharashtra Value Added Tax, 2002	Value Added Tax	Maharashtra VAT Tribunal	April 2010 to March 2011	3.01 ³
8	Finance Act, 1994	Service Tax	Service Tax Department	April 2003 to March 2004	0.16
9	Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyapan Kar Adhinyam, 2011	Commercial Taxes	Settlement Authority	July 01, 2011 to March 17, 2012	0.81 ⁴

(₹ 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 ⁵
11	Delhi Entertainment & Betting Tax Act, 1966	Entertainment Tax	Delhi High Court	April 2013 to May 2013	5.95 ⁶
				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 ⁷
15	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Commissioner of Commercial Tax, Hyderabad	2009-10 to 2013-14	3.06 ⁴
16	Bombay Sales Tax Act, 1959	Sales Tax	Assistant Comm. Of Sales Tax, Appeals	1999-2000	0.007

¹Amount paid is ₹ 1.15²Amount paid is ₹ 0.23³Amount paid is ₹ 0.15⁴Amount demanded is fully paid⁵₹ 9.03 is paid as pre-deposit⁶Amount paid ₹ 3.14⁷Part 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 ⁸

⁸Amount 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
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.01	166.10	152.00
Reserves and Surplus	2.02	1,044.32	807.30
Minority Interest		241.93	225.05
Non-Current Liabilities			
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
Current Liabilities			
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
		3,690.85	3,417.99
ASSETS			
Non-Current Assets			
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
Current Assets			
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
		3,690.85	3,417.99
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

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

For and on behalf of the Board

VIREN THAKKAR
 Partner
 Membership No : 49417

GANAPATHY SUBRAMANIAM
 Chief Financial Officer

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

AJAY SINGH
 FCS - 5189
 Company Secretary & Compliance Officer

VINAYAK AGGARWAL
 DIN : 00007280
 Director

Mumbai
 Dated: May 29, 2015

Mumbai
 Dated: May 29, 2015

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
INCOME			
Revenue from Operations	3.01	1,831.60	1,582.91
Other Income	3.02	27.14	10.50
		1,858.74	1,593.41
EXPENDITURE			
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
		1,571.67	1,281.51
		287.07	311.90
Earnings before Finance cost, Depreciation, Amortization and Tax			
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
		(198.13)	(121.90)
Profit / (Loss) before Prior Period Items, Exceptional items and Tax			
Prior Period Expenses (Net)	4.08	(0.92)	2.57
Exceptional Items	3.10	(50.65)	-
		(146.56)	(124.47)
Net Profit / (Loss) before Tax			
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)
		(174.54)	(140.70)
Net Profit / (Loss) for the Year			
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)
		(180.46)	(111.11)
Net Profit / (Loss) for the Year			
Earnings per equity share (nominal value of share ₹ 2 each)			
Weighted Average Number of Shares - Basic	4.17	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)
Summary of Significant Accounting Policies			
Refer accompanying notes. These notes are integral part of the financial statements.			

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

VIREN THAKKAR
 Partner
 Membership No : 49417

GANAPATHY SUBRAMANIAM
 Chief Financial Officer

AJAY SINGH
 FCS - 5189
 Company Secretary & Compliance Officer

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

CORPORATE
OVERVIEW

PROFILE OF
BOARD OF
DIRECTORS

5-YEAR
HIGHLIGHTS

NOTICE OF THE
ANNUAL GENERAL
MEETING

DIRECTORS'
REPORT

MANAGEMENT
DISCUSSION &
ANALYSIS

REPORT ON
CORPORATE
GOVERNANCE

STANDALONE
FINANCIAL
STATEMENTS

CONSOLIDATED
FINANCIAL
STATEMENTS

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
1 CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT / (LOSS) BEFORE TAX	(152.48)	(94.88)
A Adjustment for :		
1 Non Cash Charges		
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)
Exceptional Items		
- 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
2 Item Considered Separately		
(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)
	493.84	460.51
Operating Profit Before Working Capital	341.36	365.63
B CHANGE IN WORKING CAPITAL		
(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
	(66.88)	(95.58)
Cash Generated from Operations	274.48	270.05
Taxes paid (Net)	(48.19)	(36.10)
Net Cash from Operation Activities	226.29	233.95

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
2 CASH FLOW FROM INVESTING ACTIVITIES:		
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
Net cash Realised from Investing Activities	(522.30)	(828.96)
3 CASH FLOW FROM FINANCING ACTIVITIES		
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
Net cash Realised from Financing Activities	356.17	580.29
Net increase in Cash and Cash equivalent	60.15	(14.72)
Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year	31.28	46.00
Cash & Cash equivalents (Net of Book Overdraft) at the end of year	91.45	31.28
Components of cash and cash equivalents		
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		
Total of cash and cash equivalents	91.45	31.28

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

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

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

(₹ in Crore unless stated otherwise)

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

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

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

(₹ in Crore unless stated otherwise)

	As at March 31, 2015	As at March 31, 2014
	No. of Shares	No. of Shares
Bonus Shares		
Equity shares of ₹ 10 each allotted as fully paid bonus shares by capitalisation of Securities Premium Account in the year 2009-2010	74,236,874	74,236,874
	74,236,874	74,236,874

NOTES TO THE 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
Equity Shares of	Face value of ₹ 2 each		Face value of ₹ 10 each	
Mr. Akshay Rajan Raheja	121,413,000	14.62	24,282,600	15.98
Mr. Viren Rajan Raheja	119,553,000	14.39	23,910,600	15.73
Hathway Investments Private Limited	81,845,015	9.85	16,369,003	10.77
P6 Mauritius India Holding Limited	70,717,760	8.15	14,143,552	9.31
Macquarie Bank Limited	78,232,133	9.42	10,556,644	6.95
"Reliance Capital Trustee Co. Limited (A/C Reliance Equity Opportunities Fund)"	42,245,525	5.09	-*	-*
Spur Cable and Datacom Private Limited	-*	-*	7,650,000	5.03

* Holding was less than 5%

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

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

e) Shares reserved for issue under options

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

(₹ in Crore unless stated otherwise)

2.02 RESERVES & SURPLUS

	As at March 31, 2015	As at March 31, 2014
Capital Reserve		
Balances as per last Balance Sheet	0.10	0.10
Add: Addition during the year	-	-
Less: Written back during the year	-	-
	0.10	0.10
Securities Premium		
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	1,876.99	1,444.54
Employee Stock Options Outstanding Account (Refer Note No. 4.07)		
Balances as at the beginning of the year	0.78	1.28
Add: Compensation for options during the year (net)	-	-
Less: Deductions during the year	0.70	0.50
Balances as at the end of the year	0.08	0.78
Surplus/ (Debit Balance) In the Statement of Profit and Loss		
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	(832.85)	(638.12)
	1,044.32	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
Term Loans				
Secured				
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
Buyers Credit				
Secured	234.51	370.17	255.55	134.24
Unsecured	110.79	-	-	-
Deferred payment liabilities				
Unsecured	10.01	14.04	9.38	14.03
Finance Lease Obligations				
Secured	110.16	215.99	111.57	84.06
Vehicle Loans from Banks				
Secured	0.58	0.56	0.31	0.41
Other Loans and Advances				
Unsecured	5.10	2.00	0.69	-
	839.30	1,014.28	405.61	346.44
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
Net Amount	839.30	1,014.28	-	-
The above amount includes				
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
Term Loan from Banks	
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"> 1. Pari Passu hypothecation of present & future movable and immovable Fixed Assets of one of the Subsidiary Company, 2. Pari Passu hypothecation of present & future Current Assets of one of the Company. 	<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"> 1. Pari Passu hypothecation of present & future movable and immovable Fixed Assets of the Company, 2. Pari Passu hypothecation of present & future Current Assets of the Company. 	<p>For Rupee Term loan drawdown, principal repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown. Applicable rate of Interest is ICICI Bank Base rate + 2.40%</p>
<p>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"> 1. First Pari Passu Charge on entire movable & immovable Fixed Assets of one of the Company, 2. Second Charge by way of Hypothecation of entire Current Assets belonging one of the Subsidiary Company, 3. Corporate Guarantee by the Company. 	<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"> 1. First Pari Passu Charge on entire movable & immovable Fixed Assets of one of the Subsidiary Company, 2. Second Charge by way of Hypothecation of entire Current Assets belonging one of the Subsidiary Company, 3. Personal Guarantee of the Director of one of the Subsidiary company and Corporate Guarantee of the Company. 	<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"> 1. First Pari Passu Charge on entire movable & immovable Fixed Assets of one of the Subsidiary Company, 2. First Pari Passu Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company, 3. Non disposal undertaking by Director of one of the Subsidiary Company and the Company, 4. Shortfall undertaking from the Directors of one the Subsidiary Company and the Company for repayment of Principal and Interest. 	<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"> 1. Second Pari Passu Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company, 2. Extention of First Charge on the specific immovable properties of one of the Subsidiary Company of Market Value ₹ 18.66 already charged to existing TLs/Capex LC/ SBLC/ LER facilities, 3. First Charge on Fixed Deposit of ₹ 108.10 of one of the Subsidiary Company, 4. Letter of Comfort from the Company, 5. Personal guarantee of Director of one of the Subsidiary Company. 	<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"> 1. First Pari Passu charge on movable Fixed Assets of one of the Subsidiary Company, 2. Second Pari Passu Charge on Current Assets of one of the Subsidiary Company. 3. Letter of Comfort from the Company, 4. Personal guarantee of Director of one of the Subsidiary Company, 5. Non Disposal undertaking from the Director of one of the Subsidiary Company and the Company, 6. Shortfall undertaking from the Director of one of the Subsidiary Company and the Company for repayment of principal and interest, 7. Exclusive Charge on by way of mortgage of property situated in Ahmedabad of one of the Subsidiary Company, 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. 	<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"> 1. First Pari Passu charge on movable Fixed Assets of one of the Subsidiary Company, 2. Second Pari Passu Charge on Current Assets of the Company, 3. Personal guarantee of Managing Director of one of the Subsidiary Company, 4. Guarantee from the Company. 	<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"> 1. First Pari Passu charge on movable Fixed Assets of one of the Subsidiary Company, 2. Second Pari Passu Charge on Current Assets of the Company. 3. Personal guarantee of Managing Director of one of the Subsidiary Company, 4. Guarantee from the Company. 	<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"> 1. Exclusive first Charge on by way of mortgage of property situated at Ganga Apartment, Golaghalla Road, Kolkata of one of the Subsidiary Company. 	<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"> 1. Exclusive first Charge on by way of mortgage of property situated at Bapunagar, Ahmedabad of the Company of one of the Subsidiary Company. 	<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"> 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. 	<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"> 1. Personal Guaranty has been given by directors of one of the Subsidiary Company. 	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"> 1. First Pari Passu charge on movable Fixed Assets of one of the Subsidiary Company, 2. Second Pari Passu Charge on Current Assets of one of the Subsidiary Company, 3. Letter of Comfort from the Company, 4. Personal guarantee of the Director of one of the Subsidiary Company. 5. Non Disposal undertaking from the Director of one of the Subsidiary Company and the Company, 6. Shortfall undertaking from the Director of one of the Subsidiary Company and the Company for repayment of principal and interest. 7. Exclusive Charge on by way of mortgage of property situated in Ahmedabad of one of the Subsidiary Company. 	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%.
Term Loan from Financial Institutions	
Term loan from IDFC Ltd. amounting to ₹ NIL (March 31, 2014: ₹ 6.25) are secured by, <ol style="list-style-type: none"> 1. Pari Passu hypothecation of the present & future movable & immovable Fixed Assets of the Company, 2. Pari Passu hypothecation of the present & future Current Assets of the Company, 3. Pari Passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature of the Company, 4. First charge on the uncalled capital of the company, 5. Lien on Fixed Deposits with Bank of ₹ NIL (March 31, 2014: ₹ 2.70) of the Company. 	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"> 1. Pari Passu hypothecation of the present & future movable & immovable Fixed Assets of the Company, 2. Pari Passu hypothecation of the present & future Current Assets of the Company, 3. Pari Passu first charge on present & future book debts, operating cash flows, receivables, revenues of whatsoever nature of the Company, 4. First charge on the uncalled capital of the company, 5. Lien on Fixed Deposits with Bank of ₹ 18.64 (March 31, 2014: ₹ 18.64) of the Company. 	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"> 1. Exclusive first Charge on by way of mortgage of property situated at Vizag of one of the subsidiary of the company. 	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%
Term Loan from Others	
Term loan from HDFC Ltd. amounting to ₹ 44.97 (March 31, 2014: ₹ 142.71) are secured by, <ol style="list-style-type: none"> 1. Pari Passu hypothecation of the present & future movable & immovable Fixed Assets of the Company, 2. Pari Passu hypothecation of the present & future Current Assets of the Company. 	Principal repayable 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"> Pari Passu hypothecation of the present & future movable & immovable Fixed Assets of the Company, Pari Passu hypothecation of the present & future Current Assets of the Company. 	<p>The loan was Prepaid during the year.</p>
Buyers Credit	
<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"> Pari Passu hypothecation of Current Assets of the Company both present & future and extension of Pari Passu hypothecation of movable Fixed Assets of the Company both present & future, Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit & additional 10% at the end of 2 years. 	<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"> Pari Passu hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future. Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit & additional 10% at the end of 2 years 	<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"> Pari Passu hypothecation of the present & future movable & immovable Fixed Assets of the Company, Pari Passu hypothecation of the present & future Current Assets of the Company. 	<p>Principal repayable with Interest on completion of 3 years from the date of drawdown. Interest is payable on half yearly basis. Applicable Rate of Interest is applicable LIBOR + Spread prevailing as on the date of the drawdown.</p>
<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"> Pari Passu hypothecation of the present & future movable & immovable Fixed Assets of the Company, Pari Passu hypothecation of the present & future Current Assets of the Company. 	<p>Principal repayable on completion of 3 years from the date of underlying shipment/ drawdown. Applicable Rate of Interest is 6 months JPY LIBOR + 3.50% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.</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"> 1. Pari Passu hypothecation of the present & future movable & immovable Fixed Assets of one of the Subsidiary Company, 2. Pari Passu hypothecation of the present & future Current Assets of one of the Subsidiary Company. 3. Personal Guarantee of Director of one of the Subsidiary Company and Corporate Guarantee of the Company. 	<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"> 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), 2. Second Pari Passu charge on entire Current Assets of one of the Subsidiary Company, 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, 4. Exclusive charge of Shop no. 301 & 317 of Bapunagar office of one of the Subsidiary Company, 5. Lien on FD of ₹ 0.28 of one of the Subsidiary Company, 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. 	<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"> 1. First pari pasu charge on movable Fixed Assets of one of the Subsidiary Company. 2. Second Paripasu charge on Current Assets of one of the Subsidiary Company. 3. Personal Guarantee of Director of one of the Subsidiary Company and Corporate Guarantee of the Company. 	<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>
Deferred Payment Liabilities	
<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>
Finance Lease Obligation	
<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.
Vehicle Loans from Banks	
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.
Unsecured- Others	
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
Deferred Tax Assets		
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
Deferred Tax Liabilities		
Difference between book and tax depreciation	30.28	68.93
NET DEFERRED TAX LIABILITY	30.26	22.93

(₹ in Crore unless stated otherwise)

2.05 OTHER LONG-TERM LIABILITIES	As at March 31, 2015	As at March 31, 2014
Others		
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	-
	20.71	18.86

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
Provision for Employee Benefits				
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
Others				
Provision for Income Tax (Net)	0.57	0.65	2.94	2.53
	4.53	2.20	10.35	13.67

(₹ in Crore unless stated otherwise)

2.07 SHORT TERM BORROWINGS	As at March 31, 2015	As at March 31, 2014
Loans repayable on demand		
Secured		
Working Capital Loans repayable on demand from a bank	35.00	21.10
Cash Credit with banks	112.43	74.50
Overdraft with bank	10.00	-
Unsecured Loans		
Others	16.21	11.68
	173.64	107.28

Nature of Security for secured borrowings:

Nature of Borrowing	Nature of Security
WORKING CAPITAL	
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.
CASH CREDIT	
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%
OVERDRAFT	
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
Trade Payables				
Micro and Small Enterprises *	-	-	-	-
Others	0.21	0.00	348.78	244.63
	0.21	-	348.78	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	-	-	-
	20.71	18.86	810.72	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	-	-	-
	-	-	810.72	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
2.09 TANGIBLE ASSETS								
Own Assets:								
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
Total	1,915.52	370.92	155.34	675.87	282.20	170.88	711.97	1,437.62
Assets Taken on Finance Lease:								
Plant and Machinery	486.31	17.69	36.50	81.01	50.49	13.05	109.38	339.66
Total	486.31	17.69	36.50	81.01	50.49	13.05	109.38	405.30
Previous Year	2,401.83	388.61	191.84	756.88	332.69	183.93	821.35	1,777.28
Capital Work in Progress:								
Total	1,768.55	722.49	89.22	575.37	263.52	82.00	756.88	1,644.95
Previous Year	-	-	-	-	-	-	-	257.76

2.10 INTANGIBLE ASSETS

	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
2.10 INTANGIBLE ASSETS								
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
Total	413.16	52.19	3.62	158.41	45.00	2.03	202.39	259.34
Previous Year	394.90	48.76	30.50	152.08	36.82	30.49	158.41	254.75

** 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
Trade investments (valued at cost)					
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
Investment in Equity Shares of Associates					
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	-	-
			5.38		0.47
Less : Provision for diminution in value			0.10		0.18
			5.28		0.29
Investment in Equity Shares of Other Companies					
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
			0.27		2.67
Less : Provision for diminution in value			0.27		0.22
			0.00		2.45
Investment in Partnership Firm*					
M/s GTPL Ganesh Communication			0.09		0.09
M/s GTPL G P Marketing			0.30		0.30
M/s GTPL Kim Cable Entertainment			0.10		0.10
M/s GTPL Lucky World Vision			0.02		0.02
M/s GTPL Nawaz Network #			0.09		0.09
M/s GTPL Sab Network			0.05		0.05
M/s GTPL Universal Cable Network #			0.06		0.06
M/s GTPL Yak Cable Network #			0.05		0.05
M/s GTPL 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

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		-
			10.42		7.06
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
			9.43		5.79
Investment in Other					
Unquoted					
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
			0.18		0.18
Total Non-current Investments			14.88		8.71
Aggregate amount of quoted investments			-		-
Market Value of Quoted Investments			-		-
Aggregate amount of unquoted investments			14.88		8.71
Aggregate provision for diminution in value of investments			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
Deferred Tax Liabilities on		
Difference between book and tax depreciation	0.44	1.04
Deferred Tax Assets on		
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
NET DEFERRED TAX ASSETS	5.87	5.69

(₹ in Crore unless stated otherwise)

	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	-
	143.44	120.18	573.11	542.50
Less: Provision for doubtful trade receivables	139.00	93.87	6.31	21.89
	4.44	26.31	566.80	520.61

(₹ in Crore unless stated otherwise)

	Long - Term		Short - Term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
2.14 LOANS AND ADVANCES				
CAPITAL ADVANCES				
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
	18.32	57.61	19.16	0.34
SECURITY DEPOSITS				
Unsecured, considered good				
Security Deposits	40.32	19.19	1.92	4.69
	40.32	19.19	1.92	4.69

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
LOANS AND ADVANCES TO RELATED PARTIES				
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	-
	5.33	-	11.19	4.24
OTHER LOANS AND ADVANCES				
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	-	-
	87.69	53.92	168.39	206.41
	151.66	130.72	200.66	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
	65.00	65.58	38.74	10.64

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
Trade Investments					
Investments in Debt Market Mutual Fund					
Quoted					
- Franklin Templeton Mutual Fund					
Franklin India Treasury Management Account- Super IP - Growth	1000	289,119	60.23	-	-
Franklin India Ultra Short Bond Fund - Super IP - Growth	10	5,945,528	11.00	-	-
- HDFC Mutual Fund					
HDFC Liquid Fund- Growth	10	6,493,897	17.88	-	-
			89.11		
Investment in Partnership Firms*					
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		-
			0.03		
Total Current Investments			89.14		
Aggregate amount of quoted investments			89.14		
Market Value of Quoted Investments			89.28		

* 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
Inventories :		
Stock-in-Trade	0.69	0.69
Stock of Spares & Maintenance Items	7.20	2.75
	7.89	3.44

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
Cash & Cash Equivalents				
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
	-	-	91.45	33.05
Other Bank Balance				
Margin money deposit*	62.99	64.39	14.17	10.99
	62.99	64.39	14.17	10.99
Less: Amount disclosed under non current asset (Refer Note 2.15)	62.99	64.39	-	-
	-	-	105.62	44.04

* 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
Sale of services		
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
	1,827.01	1,558.97
Sale of products		
Sale of Access Devices	0.93	13.66
	0.93	13.66
Other operating revenues		
Other Operational Income	3.66	10.28
	3.66	10.28
	1,831.60	1,582.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

3.02 OTHER INCOME	Year ended March 31, 2015	Year ended March 31, 2014
Profit on Sale of Current Investments (Net)	7.24	2.45
Amount No Longer Payable Written Back	0.74	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
	27.14	10.50

(₹ in Crore unless stated otherwise)

3.03 PURCHASE OF STOCK-IN-TRADE	Year ended March 31, 2015	Year ended March 31, 2014
Purchase of Access Device	0.77	13.85
	0.77	13.85

(₹ in Crore unless stated otherwise)

3.04 CHANGES IN STOCK-IN-TRADE	Year ended March 31, 2015	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))	0.00	(0.00)

(₹ in Crore unless stated otherwise)

3.05 OPERATIONAL EXPENSES	Year ended March 31, 2015	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
	1,086.86	898.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

3.06 EMPLOYEE BENEFITS EXPENSE	Year ended March 31, 2015	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)
	152.24	122.46

(₹ in Crore unless stated otherwise)

3.07 OTHER EXPENSES	Year ended March 31, 2015	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
Auditor's Remuneration		
- Statutory Audit Fees	0.50	0.50
- Tax Audit Fees	-	0.15
- Limited Review, Consolidation & Certification Fees	0.21	0.21
- Other Consultancy Services	0.03	0.02
	331.80	246.70

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
	323.83	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	-
	153.50	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	-
	(50.65)	-

* 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)

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless stated otherwise)

(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.

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(₹ 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
Income of earlier years credited to Statement of Profit and Loss		
- Subscription Income	0.10	0.31
- Others	0.26	0.04
Expenses of earlier years reversed and credited to Statement of Profit and Loss		
- Electricity charges	0.31	-
- Other Operational cost	-	1.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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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
TOTAL CREDIT (A)	4.92	1.90
Income of earlier years reversed and debited to Statement of Profit and Loss		
- 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
Expense of earlier years debited to Statement of Profit & Loss Account		
- 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
TOTAL DEBIT (B)	4.00	4.48
Net Debit / (Credit) to Statement of Profit and Loss (A-B)	(0.92)	2.57

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)
TOTAL	246.89	26.97	219.92
	(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.

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(₹ 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]
1	Change in benefit obligations:		
	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)
	Projected benefit obligations at end of the year	7.32	7.20
2	Change in plan assets:		
	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)
	Plan assets at the end of the year	5.83	6.35
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Fair Value of plan assets at the end of the year	5.83	4.25
	Present value of the defined benefit obligations at the end of the year	7.02	5.51
	Liability / (Asset) recognised in the Balance Sheet	1.18	0.84
4	Cost for the year		
	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)
	Net Cost recognised in the Statement of Profit & Loss	1.33	0.67
5	Assumptions		
	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

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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
Total	87.89	23.57

- 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.

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- 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 appellate authority has confirmed the demand raised by the Assessing officer. For settlement of dispute of such demand company has filed an application before the Hon'ble Settlement Authority under the MP VAT Act and agreed to pay ₹ 1.75, the liability as calculated by the company. The application has been accepted by the settlement authority which is pending for adjudication. Simultaneously the company has also filed an application before the Indore Bench of the Hon'ble High Court of Madhya Pradesh for granting the stay to deposit the demand raised by the Commercial Tax Department and as per the direction of

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(₹ 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	-
Total	20.23	9.75

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

A		Entities under control but not considered for Consolidation	
	Others	Hathway Space Vision (Refer Note No. 4.2 (A) (i))	
B		Others	
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
Secured Loans						
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
Accounts Payables						
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
Other Firm Commitments						
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
Accounts Receivables						
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
Utilization of funds	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
Total	580.00	580.00	580.00	580.00
Less: To be funded by Borrowings	100.00	100.00	100.00	100.00
Total	480.00	480.00	480.00	480.00
Balance Unutilised	-	-	-	-
Utilization of Equity funds allotted during the financial Year				
General Corporate Purpose as per the objects stated in the respective offer letters	451.20	347.09	-	-
Total	451.20	347.09	480.00	480.00

Unutilized Balance has been invested as stated below:

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

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
Parent				
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
Subsidiaries				
Indian				
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

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
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
Joint Venture				
Indian				
Hathway Sukhamrit Cable and Datacom Private Limited (Refer Note No. 4.02(A)(v))	0.42%	7.10	-4.15%	7.48
Total	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

