



***Transforming  
the present.  
Taking on the  
future.***

***hathw@y***

Where lives connect

**Hathway Cable and Datacom Limited**

**57<sup>th</sup> Annual Report 2016-17**

# Unveiling the transformation

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[www.hathway.com](http://www.hathway.com)

Visit Company's official website to  
download the Annual Report.

# Corporate Information

## BOARD OF DIRECTORS

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

**Mr. Rajan Raheja**  
Non-Executive Director  
DIN: 00037480

**Mr. Akshay Raheja**  
Non-Executive Director  
DIN: 00288397

**Mr. Viren Raheja**  
Non-Executive Director  
DIN: 00037592

**Mr. Rajan Gupta**  
Managing Director  
DIN: 07603128

**Mr. Vinayak Aggarwal**  
Non-Executive Director  
DIN: 00007280

**Mr. Sasha Mirchandani**  
Independent Director  
DIN: 01179921

**Mr. Devendra Shrotri**  
Independent Director  
DIN: 02780296

**Ms. Ameeta Parpia**  
Independent Director  
DIN: 02654277

## CHIEF FINANCIAL OFFICER

**Mr. Vineet Garg**

## HEAD LEGAL, COMPANY SECRETARY AND CHIEF COMPLIANCE OFFICER

**Mr. Ajay Singh**  
FCS No.: 5189

## REGISTERED OFFICE

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

## CORPORATE OFFICE

805/806, Windsor, 8th Floor,  
Off CST Road,  
Kalina, Santacruz (E),  
Mumbai - 400 098.  
Tel No.: (022) 67742500;  
Fax No.: (022) 67742400

## STATUTORY AUDITORS

G. M. Kapadia & Co.  
Chartered Accountants

## SECRETARIAL AUDITORS

Rathi and Associates  
Company Secretaries

## COST AUDITORS

Ashok Agarwal & Co.  
Cost Accountants

## INTERNAL AUDITORS

Ernst & Young LLP

## ADVOCATES AND SOLICITORS

Dua & Associates (Mumbai)  
Jaitley & Bakshi Associates (Delhi)  
Law Offices of Indu Malhotra & Associates (Delhi)  
Shiv Prakash and Associates (Bangalore)  
S. Mahomedbhai & Co (Mumbai)  
Tulsi Gokulraj and Associates (Hyderabad)  
Trilegal (Mumbai)  
Arun Khatpalia (Senior Advocate)  
Jayant Tripathi (Advocate)  
Jayant Mehta (Advocate)

## BANKERS

Axis Bank Limited  
YES Bank Limited  
ICICI Bank Limited  
Kotak Mahindra Bank Limited  
IndusInd Bank Limited  
RBL Bank Limited  
HDFC Bank Limited  
IDFC Bank Limited

## REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg,  
Vikhroli (W), Mumbai - 400 083  
Tel: (022) 49186000; Fax: (022) 49186060

# Communiqué from the MD



“Hathway stands at the forefront of the technological revolution sweeping the digital bandwidth of the country”

## Dear Shareholders,

As we enter FY 2017-18, optimism about the India's growth story is at its peak. Indian economy is picking up pace and offering a glimpse of its true potential.

Current government has the strongest mandate in 30 years to deliver reforms that can resuscitate the Indian economy and deliver sustainable growth for the future. As Government prepares India's passage to the future, Digital India initiative is going to be a key enabler for this journey. With a clear vision, the present government is pushing ahead the Digital India initiative to transform the country into a digitally empowered society and a knowledge economy.

FY 2016-17 for Hathway was all about investing in world-class digital infrastructure to take advantage of opportunities unleashed by Digital India and build a bigger, stronger and more profitable business for the long term.

I would now like to share some specific step taken towards this transformation journey

## CORPORATE RESTRUCTURING:

- As of closing business hours on March 31, 2017, we have carved out our Cable Television business (Cable TV) into a wholly-owned subsidiary Hathway Digital Private Limited [HDPL]. (f.k.a. Hathway Datacom Central Private

Limited), through slump sale. Broadband business and Investment in GTPL Hathway Limited, along with Investment in various other joint venture remains with your Company. I am happy to share that all groundwork for the demerger has been smoothly completed. This new structure allows us to invest more aggressively in high growth high profit broadband business and in parallel facilitate HDPL to focus on monetisation of Investment done in different phases of Digital addressable system (DAS) and undertake significant cost optimisation initiatives.

## CABLE TV - PHASE III & IV DIGITISATION:

- During the year, we have seeded close to 2 Mn set top boxes (STBs) and as on year-end, we have 6.3 Mn STBs in Phase III & IV areas. We are proud to contribute towards dramatically improving consumer TV viewing experience in these markets through enhanced digital content and new-age packaging. Consumer satisfaction in these markets is very high and we have started monetising this investment and the same will be major growth driver for FY 2017-18.

## CABLE TV - “HATHWAY CONNECT” JOURNEY:

- As cable TV industry is going through multiple

challenges from different dimensions-changing regulatory landscape, technology disruptions and increased competition, Hathway Connect, along with improved packaging aligned to the evolving consumer needs, is the perfect recipe for reinventing and reimagining rules of engagement in cable TV. It gives consumers choice to select bouquet and à la carte channels according to their needs. For LCOs, it is a tool to manage their operations better by removing inefficiencies and provide complete transparency of transactions with Hathway. For Hathway, it brings the Company one-step closer to the consumer. Hathway is able to do consumer level billing, automatic dunning management and bring efficiencies in collections. We have made major strides in implementing Hathway Connect in FY 2016-17 and a significant portion of our digital base is transacting through Hathway Connect portal.

#### GROWING BROADBAND HOME PASSES:

- We continue to participate in opportunity to digitise India by investment in building additional home passes. During the year, we entered new markets of Kolkata, Indore and Chennai and overall built a high-speed broadband infrastructure and as on year-end have a total home passes of 5.4 Mn. All the home passes in Chennai is provisioned with Gigabyte speed units at consumer homes.

#### BROADBAND NETWORK TRANSFORMATION:

- During FY 2016-17, we

have taken massive network upgrade for our broadband business to cater for existing and expected data growth. Based on these network improvements, we are able to give all our consumers 25 Mbps base speed and 200 Mbps peak speed. Due to extra capacity of data centre, we are able to increase monthly data limits of all consumers by 200 GB. This was a necessary step for our broadband business to remain a disruptor, rather than be disrupted.

#### CUSTOMERS, ESPECIALLY MILLENNIALS AS CENTRE STAGE IN OUR BUSINESS STRATEGY:

- Millennials also known as digital natives have grown up with smart devices & connectivity and sharing matter to them augmented by high speed broadband service. To meet the expectations of these consumers, we are undergoing our own digital transformation, which will enable us to engage with our customers in ways that are more meaningful to them. We have launched our new easy-to-navigate website, which gives a seamless experience on both the large screen and hand-held devices. Our newly launched consumer App for Android and iOS facilitates consumers to track their data usage and connect to our customer service team without the need to reach out to our call centres. It also facilitates one click payment and auto renewal for ease of payment. We have also stepped up our efforts on digital and social media marketing to reach our consumers in a non-intrusive manner and convey strongly

our proposition of best value for money in market on speed, data limits and pricing.

#### BUSINESS EXCELLENCE AND COST OPTIMISATION:

- FY 2017 was a period of relooking at every aspect of the business functioning and processes. We have used technology to remodel many processes and increase efficiencies of other processes as well. Journey on right-sizing various functional units as per changing external environment has also started. Complete results of these actions are expected in over the coming 6 to 12 months.

Looking ahead, our focus will be on profitable growth and positive cash flows and this perspective shall guide all our actions across business operations. Strong emphasis has been placed on technology to upgrade business excellence; customer-centricity along with cost optimisation enables us to look up to the future with confidence.

I firmly believe 5 years of hard work on digitisation of cable TV business has finally started showing results on ground in terms of revenue and EBITDA growth. Imminent monetisation of subscription revenue in Phase III & IV markets will be one more accelerator for this business. Our cable TV business has now more opportunities for growth than at any point in its history. Consumers are demanding more of best content on their terms, be it live on the main television set at home or on-demand content being offered by various

OTT players. However, daily viewing to television remain high and more importantly consumers continuously want to be entertained on the big screen. Due to the large broadband footprint, Hathway is in a unique position to take advantage of this convergence of linear TV and OTT. We still have 3 Mn consumers in our cable TV universe in metro and mini metros who are yet to take our broadband services giving us substantial headroom for growth.

As we look ahead into the future of broadband business, we have exciting opportunity to help accelerate digital India mission. We will continue to invest heavily in high-speed fibre broadband and Gigabyte speed network roll out. Strong cash flows in broadband business allows us to fund this expansion through internal accruals. Growth of broadband customer base with focus on quality acquisition and going deeper in current geographies will remain our prime focus.

We expect the collective impact of various growth initiatives to continue scaling up in FY 2018 and helping us accelerate profitable growth. I have never felt more optimistic about where we are going.

I would like to thank our employees as well as extended partners and other stakeholders for their hard work and commitment in this critical phase of our growth journey.

Finally, I thank you for your continuing guidance, trust and support.

Thank you,  
**Rajan Gupta**  
Managing Director

In the possibilities of today, lie the realities of tomorrow. At Hathway, we have mastered the art of identifying and harnessing these possibilities to proactively transform the present in order to take on the future.

We have firmed up the foundation of today's growth

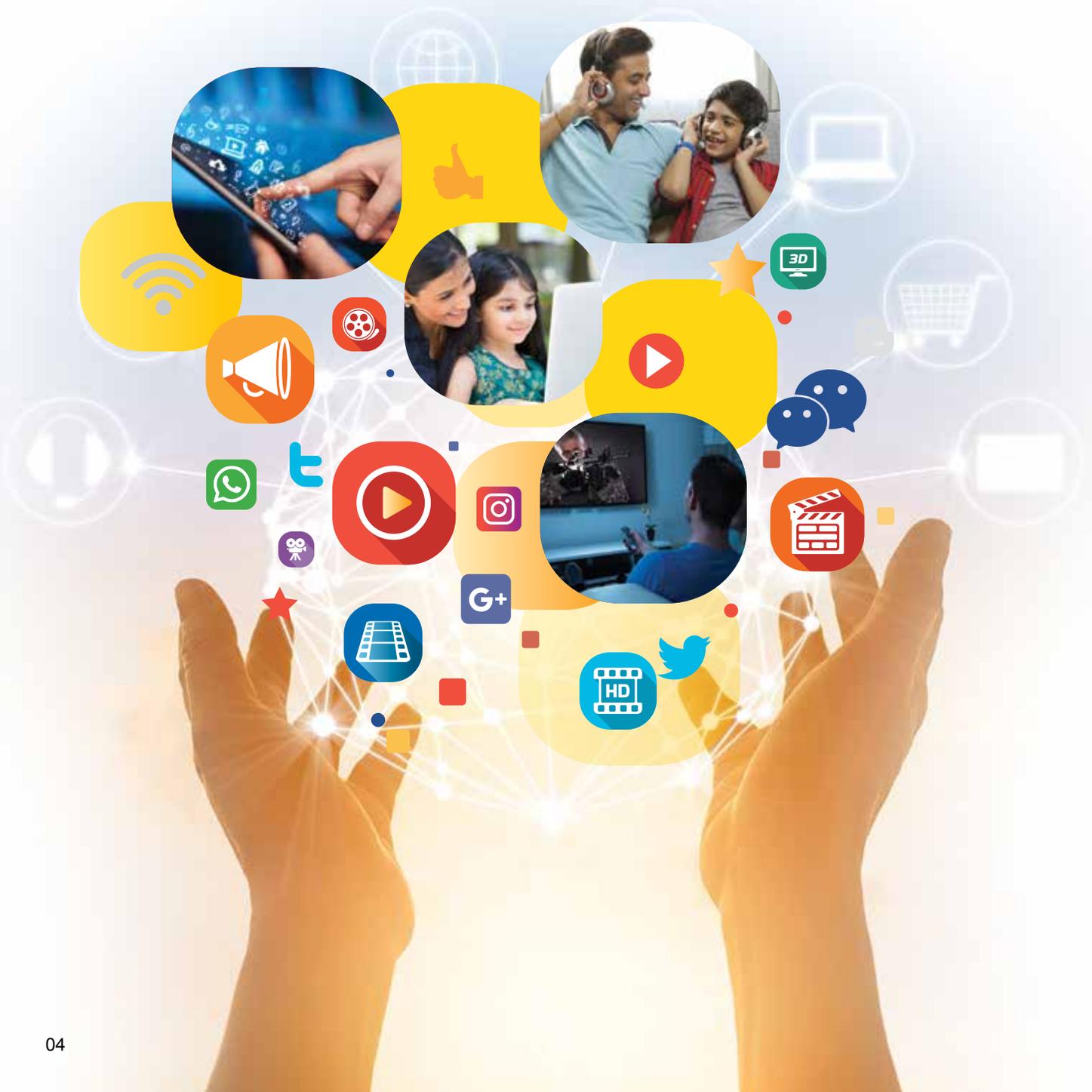
to scale up the business for tomorrow, enabling us to deepen our engagement with the customers and enhance their experience.

We have opened the doors to new vistas of progress through the windows of opportunities that beckoned us through the year, empowering us to be

ready to take off on the next trajectory of growth.

The present is already the past, and the future is where we see ourselves today – a future packed with even more possibilities for dynamic and far-reaching growth.

**We are  
Transforming  
the present.  
Taking on  
the future.**



# A transformational journey. A transformed entity.

The numbers tell their own story of our transformation. With a cable TV reach spanning **525 cities and towns and broadband presence in 29 cities**, Hathway is one of India's largest Multi System Operator (MSO) providing digital cable TV and broadband services.

## TRANSFORMATIONAL OFFERINGS TO TRANSFORM THE FUTURE

Our bouquet of products is designed to deliver value to customers and other stakeholders across the broadband and cable TV businesses, which continued to post exciting growth and expanded to notch many more milestones of success during FY 2017.

## BROADBAND (HIGH-SPEED)

- India's largest cable broadband service provider with approximately 5.4 Mn two-way broadband homes passes
- More than 52% share of the total cable broadband market in India

## CABLE TV (STANDARD DEFINITION AND HIGH DEFINITION)

- 13.3 Mn cable TV households, with 12.5 Mn digital cable subscribers
- More than 12.5 Mn Set Top Boxes (STBs) deployed across the country
- 8 main head-ends and 11 support head-ends, with over 32,000 Kms of HFC backbone network pan India



### Our vision

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



### Our mission

To provide an incomparable world-class TV viewing and broadband experience to consumers.

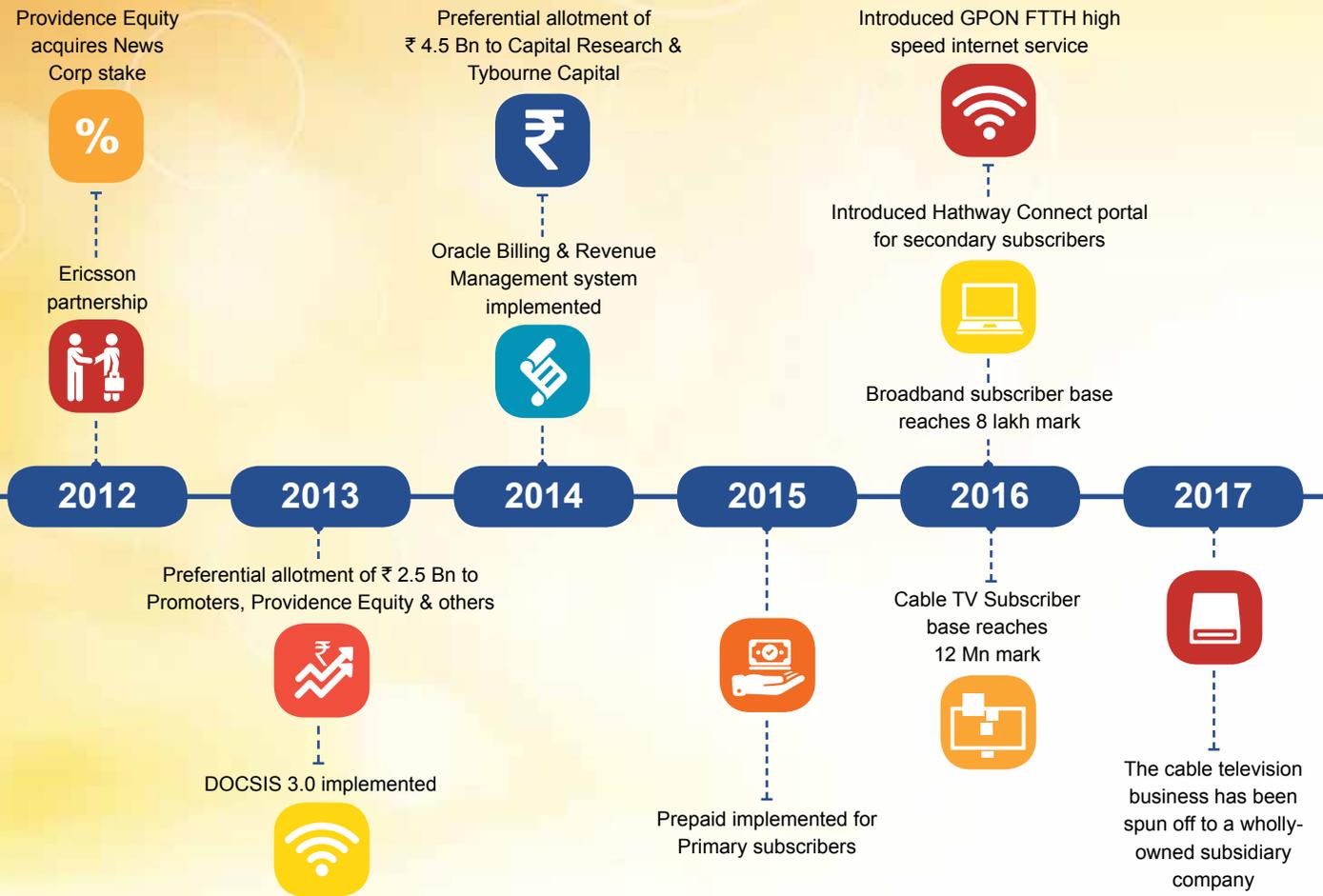


### Stock ticker

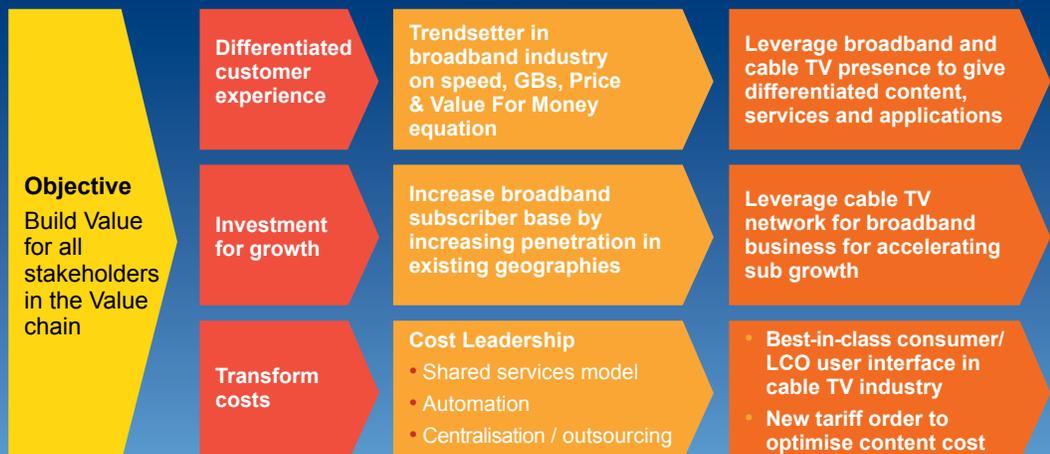
BSE: 533162  
NSE: HATHWAY  
Bloomberg: HATH:IN  
Reuters: HAWY.NS

### How we have transformed over the years:





### Our growth drivers





**READY TO  
TAKE ON THE  
FUTURE...  
AND HOW!**



# Ready To Take On The Future... And How!

With path-breaking initiatives to steer our **journey towards the future**, we continued, during the year, to build on the **strengths of today** to take on the opportunities of tomorrow in the **broadband segment** of our business.

With its current low level broadband internet penetration, as compared to most regions of the world, India offers a huge market for potential growth in this exciting and evolving space.



At Hathway, we have an unrivalled edge that equips us with the ability to take on the humongous opportunities to expand and strengthen our broadband presence across the value chain.

# Broadbasing the present to take on the future

## THE TECHNOLOGICAL EDGE OF TOMORROW

At the back of our sustained growth momentum were our segmented promotion campaigns, coupled with consumer marketing initiatives and significant increase in data limits across cities, to help customers get more out of their home broadband.

Further impelling our growth strategy was the technical infrastructural upgradation which we completed during the year, and which has prepared our network for 4X increase in speed and 20X increase in data capacity, to offer better value for money and further enhance

customer delight. Currently, we are offering up to 200 Mbps packages for GPON consumers and network is designed to deliver 1 Gbps speed to the end customer.



### Docsis 3.0

256 QAM Modulation can give up to 5G DS & 350Mb+ US

6/8MHzs Channel Spacing used (Single carrier)

US spectrum (42/85MHz)

DS spectrum max 1GHz

### Docsis 3.1

OFDMA (Orthogonal Frequency Division Multi Access) is used, which can offer 1024/4096 QAM and above. Hence leading to higher network capacity i.e. 10G+ DS & 2G+ US

Multiple Narrow subcarriers (25KHz & 50KHz) and no more single carrier. Allows modulation optimisation as per Modem/Plant requirement

US spectrum (85Mhz/optional: 204Mhz). Hence, enables higher speeds in US (upstream)

DS optional, to increase spectrum up to 1.7GHz



### GIGABIT PASSIVE OPTICAL NETWORK OR GPON TECHNOLOGY

GPON gives higher bandwidth efficiency to consumers, when compared to prevailing access technologies. ← 1

GPON network is a passive network, hence there are no power related problems, ensuring more reliable network to consumers. ← 2

GPON supports triple play (voice, video, data) services on the same single network to consumers. ← 3

GPON allows easy network upgrade to future higher versions like XGPON. ← 4

GPON is more fault tolerant, with integral protection mechanisms. ← 5

GPON supports the long reach (up to 20Km), to overcome obstacles of twisted pair access technology and reduce the network nodes. ← 6



In addition, we completed Oracle BRM and CISCO QPS (Policy Manager) both for Docsis and GPON, further helping us improve the customer service experience. We have also adopted the Telco Grade Oracle Billing and Revenue Management System, along with other high-end processes, to strengthen customer interface.

The expansion of our service portfolio was in line with our thrust on providing connectivity on-the-go to the new-age consumer and we continued to enhance their broadband experience across multi-media platforms, not just on the desktop and the laptop, but also on the tablet and the mobile.

**42.4%**

Consolidated BB Subscriber growth

**53.2%**

Revenue growth

## GETTING READY FOR TOMORROW

Given the video demand explosion expected over the next few quarters, we shall remain focussed on promoting bandwidth-hungry services such as OTT video streaming, gaming, cloud-based software, teleconferencing, remote diagnosis, medical services, interactive distance education, as well as rich multimedia content.

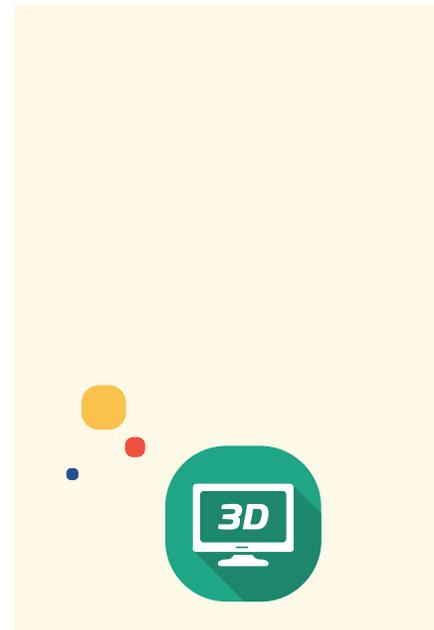
As pioneer in the industry, we have continued our

legacy by launching “Hathway Special” – a Value Added Service (VAS) comprising unique content across various entertainment segments in the month of February 2017.

Hathway Special has opened up a new revenue stream for the cable TV business and also helped to boost the ground collections of our business partners. Also, this launch will differentiate us among the

rest of the MSOs and will bring us at par with DTH offering.

The growing trend of unique and shorter form of content can provide a lot of opportunities for innovation and individual customised targeting. This will enable the value-added series market to grow exponentially in the near future.



Services available under Hathway Special are unique and exclusively available for our cable TV subscribers only. At the time of its launch, we announced 8 new services:

**MiniPlex:** Blockbuster Bollywood movie premiers

**ComedyWalas:** Classic comedy show to New series; Original clips to comedy tweaked Bollywood clips

**Lamhe Movie:** Timeless classics and heart-warming stories from the bygone era

**Yippee:** Fun learning and engagement for kids, including animated nursery rhymes, moral stories, etc.

**Garv Shree Swaminarayan:** A devotional service for Swaminarayan - Bhakti, Aarti montage in Gujarati

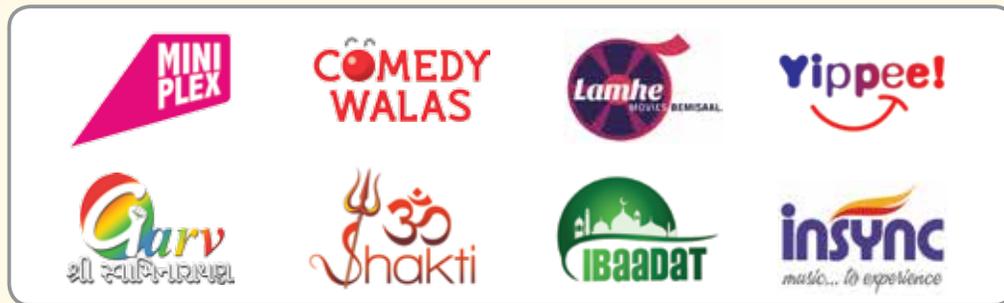
**Om Shakti:** A devotional service for Aarti, Bhajan Jaaps, with live coverage of special events

**Ibaadat:** A devotional service for Tilawat E Quran, Naat Shareef, Hadees Shareef

**InSync:** A Classical Music service with Ustaads and Maestros of the field

To enable our customers to experience these services, we offered them for free for the first month at the time of the launch.





There is a lot of unique and diverse content available, which also has a huge appeal independently, and making this available for our subscribers first is our priority. We shall explore a number of more new, exciting and unique genres on a regular basis in the coming months.

With our network providing speeds of up to 200 Mbps and data capacity up to 1 TB, average data

consumption per user at approximately 70GB/month, we are well positioned to further augment customer delight, with higher synergies expected in Fibre broadband and Wireless broadband through collaboration with mobility players.

We are also working on SMART Homes and Internet of Things (IOT) to ensure full productivity for our last-mile fibre and high speed Wi-Fi

equipment deployed in HNI homes.

Our focus on enhanced content stability, matched to the high quality standards of satellite channels, shall continue to remain a priority agenda in the coming quarters. To this end, we shall further deepen our engagement with the young consumers to better understand and address their aspirational desires.



# BRINGING THE FUTURE CLOSER... AND HOW!

# Bringing The Future Closer... And How!

Our growth today is a precursor to the progress we are **targeting for tomorrow**. It is the platform on which we shall **build our future** success, and which shall enable us to realise the **transforming aspirations** of our **cable TV customers**.

Central to our strategic approach in this segment during FY 2017 was a strong technology focus, backed by our continuing efforts to strengthen our connect with the LCOs. Technological empowerment of the LCOs is acting as a bridge for the Company to connect the present with the future in the cable TV business.



# Cabling today's strengths to future needs

As **India's leading digital cable TV** platform, we have been one of the **biggest beneficiaries** of the country's digitisation programme, with our ARPU in the cable business going up consistently. In Phase II, the **ARPU increased by 10%** and by **233%** in Phase III.

With a footprint spanning 525 cities and towns, and a dominant market share in the key geographies of Mumbai, Delhi, Pune, Ahmedabad, Kolkata, Hyderabad and Bengaluru, we today have a digital subscriber base of 12.5 Mn.

Having achieved the 12.5 Mn STB deployment milestone, with an impressive 1.9 Mn additions in Phase III and IV areas, we have successfully digitised 94% of our cable TV universe, which spans the entire country.

An enhanced content offering, with 50+ HD channels, coupled with innovative packaging and best-in-class customer interface and user experience (EPG and Barker channel), helped us scale up our cable TV business during the year, to meet the future needs of customers.

Besides technological empowerment, focus on cost efficiencies through structural changes helped us post EBITDA growth higher than the revenue growth – indicating the success of our future-focussed strategy.

After migrating substantial customer base on Hathway Connect (Standalone) for DAS I and II in the last quarter of the year, we began migration in DAS III & IV markets. The launch of a bouquet of 8 value-added services across genres such as movie, comedy, educational, devotional and music further enhanced our engagement with our end customers. In an industry-first initiative, we also

launched a self-service App for our customers to facilitate instant activation of the services.

Another exciting initiative to bring in greater transparency in negotiation with broadcasters was the implementation of a rate card for carriage and placement, which will help further strengthen our cable TV foundation in the coming year, particularly in the light of the new regulatory environment.



**17.3%**

Growth in digital subscribers

**24.3%**

Subscription revenue growth



We have initiated the process of rationalisation of JVs and subsidiaries for better control and ease of doing business, with our cable TV business shifting into a wholly owned subsidiary - Hathway Digital Private Limited (Formerly known as Hathway Datacom Central Private Limited).



**EMPOWERING LCOs FOR TOMORROW**

As part of our LCO Empowerment initiative, aimed at bringing greater transparency and autonomy into the business, we further strengthened the 'Hathway Connect' – a dedicated portal and mobile App for the LCOs to manage their networks independently. We also trained majority of the LCO staff members during the year, to better prepare them for delivering on the cable TV demands of the future.



**CARVING AN EDGE FOR TOMORROW**

Enabling of self-care on the web, Android and iOS systems, along with launch and revamp of in-house channels, were the key drivers of our efforts to power technological and process upgradation to channelise future growth. We also launched an FOS mobile App and E-KYC systems to leverage technology to enhance people productivity. Introduction of Right to Use (RTU) to increase the primary base was another important initiative we undertook to scale-up the business.



**GETTING READY FOR TOMORROW**

Amid healthy growth projections for the growth of the digital TV industry, we have started the process of monetisation for Phase III of the digitisation and have done Phase IV expansion without any subsidy in order to secure better ROI.

We feel that an increase in HD channels, especially in regional languages, will fuel demand for HD penetration and have started working in this direction. Focus on localised content and value-added services will continue to play a pivotal role in driving business growth in this segment.

# Getting people ready to take on the future

People being central to our **future-oriented growth** philosophy, we continued to **strengthen our employee** bandwidth through a series of **innovative measures** during the year.

Our programmes are designed to align our teams, across both broadband and cable TV, with the organisational vision and goals, while preparing them to make the transformation

from the dynamic demands of today to the more aspirational needs of our future customers. We have nurtured a culture of collaboration in which our broadband and cable ground

teams coordinate closely to co-create expansion plans for tomorrow's growth.

Capability building, not just of the LCO staff but also our own employees, is a core function of our HR (Human Resource) development model.

Cognizant of the need to nurture a forward-looking cultural ethos, we focussed intensively during the year on reorientation of our organisational culture to customer-centricity.



Employee training and welfare programmes also constitute a major facet of our HR model, which is structured around the global industry-best practices. Some of the major initiatives undertaken during FY 2017 in the training and development domain included Functional/

Operational and Behavioural training on Advanced Excel, Power Point, Communication skills, Selling skills, Telephone etiquette and Leadership skills.

These skill development programmes empower employees with the necessary tools to work

on large and complex data projects, thus helping in the automation of data requiring repetitive tasks.

The communication skill development programmes facilitate the development of the right connect between the internal and external customers, helping in enhancing employee

efficiencies and enabling them to understand the two-way communication process better. The real benefit that has been derived through communication training relates to conversion of the customer's queries into sales, through workshops on selling skills.

Cognizant of the criticality of safety to keep employees risk-free at the workplace, we also conducted trainings on Safety and Code of Conduct for employees, pan-India. In addition, we also conducted training programmes to impart awareness on Prevention of Sexual Harassment at workplace on pan-India basis.

Overall, the trainings have improved the work quality by developing the skills of the employees, which has also aided them in addressing areas of improvement.



# An endorsement of our FY 2017 performance

**Consolidated Revenue** (Incl. Other Income)

FY17 ₹ **1,368.2** Cr

FY16 ₹ 1,155.0 Cr

**Consolidated EBITDA**

FY17 ₹ **221.1** Cr

FY16 ₹ 138.1 Cr

**Cable TV Universe**

FY17 **13.3** Mn

FY16 12.3 Mn

**Broadband Homes Passed**

FY17 **5.4** Mn

FY16 4.2 Mn

**Cable TV Digital subscribers**

FY17 **12.5** Mn

FY16 10.6 Mn

**Broadband subscribers**

FY17 **8.9** Lakhs

FY16 6.3 Lakhs

*Note: For cable TV and broadband KPIs - GTPL No. as on December '16 and Hathway ex-GTPL No. as on March '17*

# Building social capabilities to take the future



The Company has dedicated its efforts and funds towards **promoting education** through the opening of nursery schools and playgroups for **underprivileged children**.

We invest our efforts and resources into many initiatives and organise programmes for social causes which are focussed towards children from underprivileged sections of society.

Our association with 'Buniyaad', an NGO that provides pre-primary education, helps us achieve our goal of helping children by setting up English medium playgroups and

nurseries in their own environment and colonies. After the success of the 1st English Playgroup and Nursery launched at Vikhroli Parksite, Mumbai, with 20 children, more nurseries were set up in other localities in subsequent years. These classrooms are part of the house of a resident in the locality, or community space, which is then rented out to Buniyaad for the duration of the session.



Through this set-up, we have carried out a number of activities, details of which are listed below:



### 'FUN DAY with special children'

As part of this programme to motivate special children, we visited the Mentally Challenged Social Welfare Centre (MCSWC) and conducted many fun games and interesting competitions for them. The children were also given a platform to showcase their talent. As part of this activity, we gifted the school physiotherapy equipment like exercise balls, sensory balls, massagers, finger ladders and wooden blocks, which would help in their physical and cognitive development.





### Celebration of festivals

We look forward to sharing the joy of festivals with the special children. On major festivals like Christmas and Holi, we visited the Indore Society for Mentally Challenged, where we showed the children animated films, conducted competitions, distributed sweets and joined in the celebrations with the children.

Apart from these, we also carried out activities like donation of clothes to Mother Theresa Home in Kolkata, and conducted a Blood Donation camp in Mumbai.

Through our partnership with Buniyaad, whose mission is "Educating minds... Strengthening roots... laying foundation for a better tomorrow," we work on many issues that your Company feels sensitive towards. Buniyaad is run by committed individuals and is registered as a Public Charitable Trust (October 2005) under the Bombay Public Trust Act, 1950.

We receive regular reports on the status and progress of the various activities carried out by Buniyaad. In this manner, we are able to gauge the effectiveness of our efforts and commit to more activities and initiatives in the future.



The Company encourages the participation of employees in the activities related to social causes. Employee participation helps us meet the objectives of the programmes and also ensure the sustained continuity of the same once we exit the community.

# Board of Directors

## Mr. Sridhar Gorthi

*Chairman and Independent Director*

### Education

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

### Professional experience

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

## Mr. Rajan Raheja

*Non-Executive Director*

### Education

B.Com

### Professional experience

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

## Mr. Akshay Raheja

*Non-Executive Director*

### Education

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

### Professional experience

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

## Mr. Viren Raheja

*Non-Executive Director*

### Education

B.Com, MBA from London Business School, CFA

### Professional experience

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

## Mr. Rajan Gupta

*Managing Director*

### Education

B.E. (Civil), MBA (Marketing and Finance) from IIM-Bangalore

### Professional experience

20 years of diverse experience across various aspects of management, sales, marketing, P&L management, revenue growth management, business turnaround and manufacturing operations. Handled business leadership roles in various blue chip companies.

## Mr. Vinayak Aggarwal

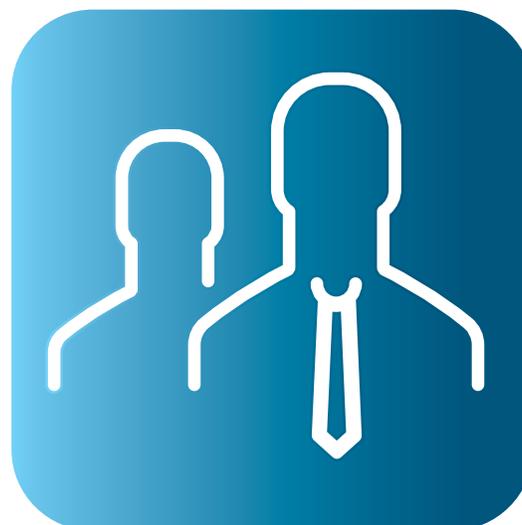
*Non-Executive Director*

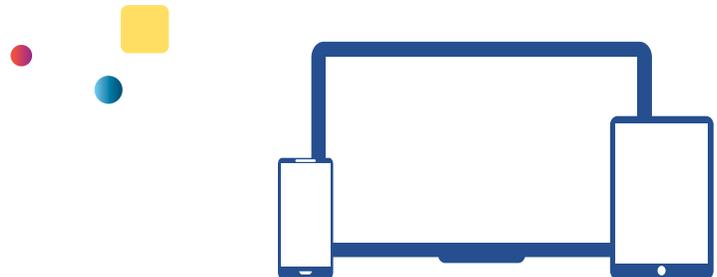
### Education

B.Com, ICWA, PGDM, IIM-Ahmedabad

### Professional experience

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





**Mr. Devendra Shrotri**  
*Independent Director*

**Education**

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

**Professional experience**

Varied experience in the fields of Management, Finance, Consulting, Outsourcing and Technology.

**Mr. Sasha Mirchandani**  
*Independent Director*

**Education**

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

**Professional experience**

Varied experience in Venture Capital, Consumer Electronics and Outsourcing.

**Ms. Ameeta Parpia**  
*Independent Director*

**Education**

L.L.B

**Professional experience**

Renowned Advocate and Solicitor, partner in M/s. A H Parpia and Company, Advocates and Solicitors and specialises in the field of "Conveyancing", covering personal laws and laws relating to immovable property and documentation.

# An endorsement of our futuristic strategy Awards & Recognitions

Your Company was awarded the Most Outstanding MSO 2016-17, at the 8th BCS Ratna Awards held in May 2017 at New Delhi



Your Company was conferred with the award for 'Outstanding MSO providing Technology & Services', at the 8th BCS Ratna Awards held in May 2017, at New Delhi





**STATUTORY  
REPORTS**

## HATHWAY CABLE AND DATACOM LIMITED

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

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

CIN: L64204MH1959PLC011421

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

### NOTICE

**NOTICE is hereby given that the Fifty Seventh Annual General Meeting of the Company will be held on Friday, 15th September, 2017 at 3.00 p.m., at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400049, to transact the following business:**

#### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - (a) Standalone Financial Statements for the year ended 31st March, 2017 comprising of the Audited Balance Sheet as at 31st March, 2017 and the statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with Report of Directors and Auditors thereon;
  - (b) Consolidated Financial Statements for the year ended 31st March, 2017 comprising of the consolidated Audited Balance Sheet as at 31st March, 2017 and consolidated statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with Report of Auditors thereon;
2. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

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

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 read with rules thereunder, Mr. Viren Raheja (DIN 00037592), who retires by rotation and being eligible, offers himself for appointment, be and is hereby re-appointed as Non-Executive Director of the Company.”
4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139(1) of the Companies Act, 2013 (the “Act”) read with Companies (Audit and Auditors) Rules, 2014, upon

recommendation of the Audit Committee and the Board of Directors of the Company, M/s. Nayan Parikh & Co., Chartered Accountants (Firm Registration No. 107023W) be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (Five) years beginning from the conclusion of the Fifty Seventh Annual General Meeting till the conclusion of the Sixty Second Annual General Meeting on such terms and conditions and on such remuneration plus reimbursement of out of pocket expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this resolution.”

#### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution for regularization of appointment of Mr. Rajan Gupta (DIN: 07603128), as a Director, in the capacity of Managing Director of the Company:

**“RESOLVED THAT** Mr. Rajan Gupta (DIN: 07603128), who was appointed as an Additional Director of the Company pursuant to provisions of Section 161 of the Companies Act, 2013 read with applicable rules thereunder and in accordance with the Articles of Association of the Company, to hold office up to the date of the ensuing Annual General Meeting and for whom, the Company has received a notice under section 160 of the Companies Act, 2013 along with the requisite deposit from a shareholder proposing the candidature of Mr. Rajan Gupta, for the office of a Director of the Company, be and is hereby appointed as a Director, in the capacity of Managing Director of the Company, who shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the terms and conditions for appointment and remuneration of Mr. Rajan Gupta as Managing Director of the Company will be in accordance with the agreement executed between the Company and Mr. Rajan Gupta and as approved by the shareholders on 13<sup>th</sup> January 2017.

**RESOLVED FURTHER THAT** any of the directors or the Company Secretary of the Company be and are hereby severally authorised for and on behalf of the Company to file necessary e-forms with the Ministry of Corporate affairs and to do all such acts, deeds and things to give effect to the aforesaid resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit and Auditors) Rules, 2014 or any other law for the time being in force, M/s. Ashok Agarwal & Co., Cost Accountants, (Firm Registration No. 000510), appointed as the Cost Auditors of the Company by the Board of Directors, to conduct the audit of the cost records of the Company for the financial year 2017-18 at a remuneration of ₹ 5,75,000/- (Rupees Five Lakh Seventy Five Thousand only) plus reimbursement of out of pocket expenses, be and is hereby ratified and confirmed.

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

#### By order of the Board

**Place:** Mumbai

**Date:** May 30, 2017

**Ajay Singh**

Head Legal, Company Secretary  
and Chief Compliance Officer  
FCS NO: 5189

#### Registered Office

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

#### NOTES:

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend, and on a poll, to vote instead of himself/herself and such proxy need not be a member of the Company.
2. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the meeting. Proxies submitted on behalf of the Companies must be supported by appropriate resolution/authority, as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten

percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. Corporate Members intending to send their Authorized Representatives to attend the Annual General Meeting (“AGM”) are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
5. Any member proposing to seek any clarification on the accounts is requested to send the queries to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
6. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM as per provision of Section 171 and Section 189 of the Companies Act, 2013 respectively.
7. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, for Special Business, setting out all material facts and the statement of particulars of directors seeking re-appointment, are annexed hereto.
8. Members are requested to bring their copy of Annual Report and attendance slip to the meeting.
9. The Annual Accounts of the Subsidiary Companies shall be available at the Registered Office of the Company for inspection by any shareholder during working hours for a period of twenty-one days before the date of AGM.
10. Hard copy of the details of accounts of subsidiaries required by any shareholders can be obtained with a written request to the Company Secretary of the Company at the Registered Office of the Company.
11. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of AGM.
12. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold in physical form are requested to write their folio number in the attendance slip.
13. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent in respect

of shares held in physical form and with respective Depository Participants (DP) where the shares are held in dematerialized form. Shareholders holding shares in physical form can send their email address for registration to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) quoting the Folio Number and Name of the Company.

14. The Annual Report and other documents will also be available on the Company's website [www.hathway.com](http://www.hathway.com). The Company will be sending physical copy of Annual Report and other documents to all shareholders whose email address is not available with the Company. You may, anytime, request a printed copy of the Annual Report and other documents from the Company inspite of having registered under E-Communication facility.
15. The Company is providing facility for voting by electronic means and the business may be transacted through e-voting.
16. The facility for voting through ballot or polling paper shall be made available at the meeting and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting.

**THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

- (i) The voting period begins on Tuesday, September 12, 2017 at 10.00 am and ends on Thursday, September 14, 2017 at 5.00 pm. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 8th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID:
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Address Sticker.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant < Hathway Cable and Datacom Limited> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Note for Non- Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) /folio numbers on which they wish to vote.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Friday, 8th September, 2017.

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

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

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

**By order of the Board**

**Place:** Mumbai

**Date:** May 30, 2017

**Ajay Singh**

Head Legal, Company Secretary  
and Chief Compliance Officer  
FCS NO: 5189

**Registered Office**

Rahejas, 4<sup>th</sup> Floor, Corner of Main Avenue & V. P. Road,  
Santacruz West, Mumbai 400054  
CIN: L64204MH1959PLC011421  
Tel No. 022-26001306 Fax No. 022-26001307  
Mail: [info@hathway.net](mailto:info@hathway.net) website: [www.hathway.com](http://www.hathway.com)

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

**ITEM NO. 5**

The Board of the Directors of the Company at its meeting held on 25th November, 2016 appointed Mr. Rajan Gupta as additional director to hold office up to the date of the ensuing Annual General Meeting. The Company has received from Mr. Rajan Gupta, consent in writing to act as director in the capacity of Managing Director in Form DIR 2 and intimation in Form DIR 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013. The Company has also received a notice under section 160 of the Companies Act, 2013 along with the requisite deposit from a shareholder proposing the candidature of Mr. Rajan Gupta, for the office of a Director of the Company.

The Board considers that their association with Mr. Rajan Gupta has set the Company for a new and aggressive growth path to become the leading digital cable TV and broadband service provider by a great distance. Accordingly, your directors recommend the resolution as set out in Item No. 5 of the Notice for your approval.

Except Mr. Rajan Gupta, none of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested in the above resolution.

**ITEM NO. 6**

The Board of the Directors of the Company as per the recommendation of the Audit Committee, has approved the appointment of M/s. Ashok Agarwal & Co., Cost Accountants, (Firm Registration No. 000510), as Cost Auditors, to conduct the audit of the cost records of the Company for the financial year 2017-18 and also approved the remuneration of ₹ 5,75,000/- (Rupees Five Lakh Seventy Five Thousand only) to be paid to him.

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

Accordingly, it is proposed to seek approval of the members by passing an Ordinary Resolution as set out at Item No. 6 of the

Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18.

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

**By order of the Board**

**Place:** Mumbai  
**Date:** May 30, 2017

**Ajay Singh**  
Head Legal, Company Secretary  
and Chief Compliance Officer  
FCS NO: 5189

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

**Details of directors seeking re-appointment at the 57<sup>th</sup> Annual General Meeting**

Name of Director	Mr. Akshay Raheja	Mr. Viren Raheja	Mr. Rajan Gupta
Date of Birth	25/05/1982	13/06/1984	29/07/1974
Nationality	Indian	Indian	Indian
Date of Appointment on the Board	07/09/2000	28/03/2008	25/11/2016
Qualifications	B. Com, MBA from Columbia Business School, New York	B.Com, MBA from London Business School, CFA	B.E (Civil), MBA (Marketing and Finance) from IIM-Bangalore
Expertise in Specific Functional Area	Holds Directorship in diversified industries including Real Estate, Cable TV, Retailing and General Insurance	Holds Directorship in diversified industries including Real Estate, Cable TV, Retailing and Software Development	Experience across various aspects of management, sales, marketing, P&L management, revenue growth management, business turnaround and manufacturing operations
Number of shares held in the Company	12,14,13,000 equity shares of ₹ 2 each	11,95,53,000 equity shares of ₹ 2 each	NIL
Disclosure of relationships between directors inter-se	Son of Mr. Rajan Raheja and Brother of Mr. Viren Raheja, the Non-Executive Directors of the Company	Son of Mr. Rajan Raheja and Brother of Mr. Akshay Raheja, the Non-Executive Directors of the Company	No relationship between directors

**Details of directors seeking re-appointment at the 57<sup>th</sup> Annual General Meeting**

Name of Director	Mr. Akshay Raheja	Mr. Viren Raheja	Mr. Rajan Gupta
Names of listed entities in which the director holds the directorship and the membership of the Committees of the Board	<ul style="list-style-type: none"> <li><b>Listed entities in which the director holds the directorship</b> <ol style="list-style-type: none"> <li>Hathway Cable and Datacom Limited</li> <li>EIH Associated Hotels Limited</li> </ol> </li> <li><b>Listed entities in which the director holds the membership of the Committees of the Board</b> <ol style="list-style-type: none"> <li><b>Hathway Cable and Datacom Limited</b> <ul style="list-style-type: none"> <li>Compensation Committee-Member</li> <li>Nomination and Remuneration Committee-Member</li> </ul> </li> <li><b>EIH Associated Hotels Limited</b> <ul style="list-style-type: none"> <li>Audit Committee-Member</li> </ul> </li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li><b>Listed entities in which the director holds the directorship</b> <ol style="list-style-type: none"> <li>Hathway Cable and Datacom Limited</li> <li>Sonata Software Limited</li> </ol> </li> <li><b>Listed entities in which the director holds the membership of the Committees of the Board</b> <ol style="list-style-type: none"> <li>Hathway Cable and Datacom Limited                             <ul style="list-style-type: none"> <li>Audit Committee-Member</li> <li>Compensation Committee-Member</li> <li>Nomination and Remuneration Committee-Member</li> <li>Stakeholders' Relationship Committee-Member</li> <li>Investment and Loan Committee-Member</li> <li>Administrative Cum Regulatory Committee-Member</li> <li>GTPL IPO Committee-Member</li> <li>Business Responsibility Committee-Member</li> </ul> </li> <li><b>Sonata Software Limited</b> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee-Member</li> </ul> </li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li><b>Listed entities in which the director holds the directorship</b> <ol style="list-style-type: none"> <li>Hathway Cable and Datacom Limited</li> </ol> </li> <li><b>Listed entities in which the director holds the membership of the Committees of the Board</b> <ol style="list-style-type: none"> <li>Hathway Cable and Datacom Limited                             <ul style="list-style-type: none"> <li>Administrative-Cum-Regulatory Committee-Chairman</li> <li>Investment and Loan Committee-Chairman</li> <li>Stakeholders' Relationship Committee-Member</li> <li>Corporate Social Responsibility Committee-Member</li> <li>GTPL IPO Committee-Chairman</li> <li>Business Responsibility Committee-Member</li> </ul> </li> </ol> </li> </ul>

Route Map from Vile Parle Railway Station to ISKCON, Juhu





Dear Members,

Your Directors have pleasure in presenting the 57th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2017.

## 1. FINANCIAL & OPERATION OVERVIEW:

### a. Financial Highlights:

Your Company's performance during the year ended 31st March, 2017 as compared to the previous financial year, is summarized as below:

Particulars	Standalone		Consolidated*	
	2016-17	2015-16	2016-17	2015-16
Operating & Other Income	1,330.50	1,120.86	1,368.23	1,155.03
Earnings before interest, depreciation, amortization, exceptional item, share of profit of associates and JVs & taxes	260.45	191.99	221.07	139.11
Finance Cost	110.30	89.49	110.75	89.84
Depreciation & Amortization	300.76	254.49	305.75	258.86
Exceptional Items	3.49	36.35	0.74	17.37
Share of profit / (loss) of an associate and joint ventures	-	-	2.89	(11.01)
Provision for Taxation – MAT Credit, Current Tax, Deferred Tax & (Excess)/Short provision for taxation in earlier years	-	-	0.34	0.29
Net Profit/(Loss)	(154.11)	(188.33)	(192.94)	(237.69)
Other Comprehensive Income/(Loss)	0.31	(2.75)	0.26	(2.83)
<b>Total Comprehensive Income/(Loss)</b>	<b>(153.80)</b>	<b>(191.08)</b>	<b>(192.68)</b>	<b>(240.51)</b>

\* Financials for FY 2017 and FY 2016 have been prepared in compliance with applicable provisions of Indian Accounting Standards ("IND AS") notified u/s 133 of the Companies Act, 2013 read with relevant rules issued thereunder. Please refer Notes to Consolidated Financial Statements - 4.23 (Note 12 : Subsidiaries consolidated under previous GAAP classified as Joint Venture under IND AS).

During the year under review, the total income of your Company was ₹ 1,330.50 Crores on a standalone basis and ₹ 1,368.23 Crores on a consolidated basis as compared to the previous financial year's total income of ₹ 1,120.86 Crores on a standalone basis and ₹ 1,155.03 Crores on a consolidated basis. The net loss for the year under review, after taxation and exceptional items, stood at ₹ 153.80 Crores on a standalone basis and ₹ 192.68 Crores on a consolidated basis.

**b. Operational Highlights:**

Being in the leadership position amongst the MSO space, your Company has made tremendous efforts to complete digitization of its universe and expand into new territories. Currently, the Company has digitised 94% of its cable TV universe and target to achieve complete digitization by the next fiscal.

During the year under review, the broadband business has continued to perform exceptionally well. With the upgradation of technology from DOCSIS 3.0 to DOCSIS 3.1 and advent of GPON Fiber to the home, the broadband business will constantly spearhead innovation thereby delighting the customers with enhanced data limits and efficient customer service.

Your Company's presence in cable TV services has expanded to over 525 cities and towns, whereas broadband services are available in 29 locations across India, with Chennai, Indore and Kolkata being the latest additions this year. During the fiscal year under review, your Company decided to carve out the cable TV business and transfer it to a wholly owned subsidiary – Hathway Digital Private Limited (f.k.a Hathway Datacom Central Private Limited), through slump sale. The rationale behind such a path breaking move is to ensure focused attention to each division of the Company along with creation of independent investment structures for future fund raising.

**(i) CABLE TV BUSINESS:****DAS III and IV**

During the year, the Company has significantly expanded its presence in DAS III and IV markets by growing its active base predominantly in Karnataka, West Bengal and Odisha. The mandated sunset date for analogue signals in DAS III market was 31st January, 2017 and in DAS IV was 31st March, 2017. Subsequent to analogue switch off date, the Company has begun a gradual implementation of "Hathway Connect" in Phase III and Phase IV markets.

**New regulation**

During the year, the regulator TRAI notified a new set of regulations to govern the industry. However, pursuant to the challenge to these regulations by Star India Private Limited and Vijay Television Private Limited, the same are currently stayed. The proposed regulation envisages sweeping changes in the existing model and is expected to benefit all the stakeholders in the value chain (viz) Broadcaster, MSO, LCO and Customer. The proposed regulation is the outcome of several issues arising out of flaws and imbalances in the erstwhile regulatory regime which was skewed in favour of the broadcaster and LCO.

WITH THE UPGRADATION OF TECHNOLOGY FROM DOCSIS 3.0 TO DOCSIS 3.1 AND ADVENT OF GPON FIBER TO THE HOME, THE BROADBAND BUSINESS WILL CONSTANTLY SPEARHEAD INNOVATION THEREBY DELIGHTING THE CUSTOMERS WITH ENHANCED DATA LIMITS AND EFFICIENT CUSTOMER SERVICE

**Value Added Services**

The Company in its pursuit of enhancing customer delight, launched a slew of 8 unique advertisement-free services spanning across several niche genres of content, branded as "Hathway Special". It was a first of its kind initiative in Cable and elevated the positioning of your Company on par with leading DTH service providers in the country.

Your Company also launched a dedicated barker channel called "My Hathway" to promote various offering – HD, PVR, tiered packaging, VAS, in-house channels.

Your Company launched 4 new in-house channels and also undertook a brand refresh of all the in-house channels by changing the logo and packaging elements to bring them on par with satellite channels.

**IT & Other initiatives**

The Company encouraged its customers to "Go Cashless" by introducing several online payment options including tie up with digital wallet platforms in line with the PM's flagship "Digital India" campaign

The Company also commenced digital sign off of Interconnect agreements with LCOs through "Hathway Connect".

The Company is focusing constantly on utilization of technology to automate Company's process to achieve cost optimization.

**(ii) BROADBAND BUSINESS:**

Constant focus on network expansion, your Company has added 1.2 Mn Home Pass during the year, resulting in 5.4 Mn Home Pass at the end of the year under review. This makes us the largest MSO providing such services in the country.

India has around 18.24 Mn wireline broadband subscribers as on 31st March, 2017 (As per revised definition i.e. a customer having minimum speed of 512 kbps). Comparing the trend on year on year basis, the wireline broadband number has increased by 1.26 Mn subscribers (FY16: 16.98 Mn) [Source -TRAI report March 2017]. Your Company has added 0.27 Mn customers during the year. Consumers increasingly prefer wireline broadband as it allows online media consumption and seamless accessibility of data to multiple devices while at home.

As of 31st March, 2017, your Company has over 0.89 Mn broadband subscribers with the ARPU of ₹ 654/-, which makes us the largest MSO in the country having highest number of broadband subscribers. With a high quality and high capacity Hybrid Fiber Coaxial (HFC) Network, your Company is well placed to garner a larger share of the growing broadband market.

During the last year, your Company has added new markets such as Kolkata, Indore and latest being Chennai. Now your Company is providing services in all 4 metro and all major mini metros. Your Company has introduced ultra-high speed ‘**GPON FTTH**’ technology at Chennai. Your Company is the first MSO to provide GPON FTTH service to retail consumers.

GPON FTTH facilitates data speed up to 1 Gbps. Your Company has deployed equipment and network is designed to provide data speed upto 1 Gbps without any incremental investment. In Chennai, your Company offers data speed up to 200 Mbps and data limit upto 1 TB per consumer per month (PCPM). This clearly shows the Company is ready with technical upgrades to give the services up to 1 Gbps speed with nearly unlimited data access (upto 1024 GB PCPM) at any point of time without any further investment and increase in cost.

During the last 3 year expansion of availability of online media in vernacular language at reasonable cost and reduction in cost of devices, there has been

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

Name of the Company	Relationship with the Company	Details of changes	Date of change
Hathway Universal Cabletel and Datacom Private Limited	Wholly Owned Subsidiary Company	Ceased to be Wholly Owned Subsidiary Company of the Company	17.03.2017
Hathway Rajesh Multi Channel Private Limited	Subsidiary Company	Ceased to be Subsidiary Company of the Company	16.03.2017

a shift in the consumers’ data consumption pattern. Youth of the country have started consuming more and more media online and this has fueled the demand for high speed access of data. There has been a rapid increase in consumption of data. In last 12 months it has more than doubled from 30 GB PCPM to 70 GB PCPM. Your Company is focusing on increasing reach of its GPON FTTH technology to existing markets first. This will help your Company to meet the change in data consumption habits thereby enhancing customer delight and offering better value for money.

Your Company has roped in versatile and popular actor R. Madhavan as the national brand ambassador, adding star power to drive the broadband business. It is a well-known fact that actor R. Madhavan has been among the early movers in tapping into the digital phenomenon and we are extremely proud to have him as the face of the brand. His huge popularity, pan-India acceptance, and charismatic personality as the youth icon, will help us increase our customer footprint across India. Your Company proudly welcomes the actor into the Hathway family.

**c) Consolidated Accounts:**

The consolidated financial statements of your Company for the financial year 2016-2017 are prepared in compliance with applicable provisions of the Companies Act, 2013, Indian Accounting Standards (“Ind AS”) notified u/s 133 of the Companies Act, 2013 and relevant rules issued thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI(LODR)) as prescribed by the Securities and Exchange Board of India.

**d) Report on performance of subsidiaries, associates and joint venture Companies:**

A statement containing the performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March, 2017 is given pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014 in AOC-1 in **Annexure - I** to this report.

Name of the Company	Relationship with the Company	Details of changes	Date of change
Hathway Universal VCN Cable Network LLP	Limited Liability Partnership	Hathway Universal Cabletel and Datacom Private Limited, a wholly owned subsidiary of the Company ceases to be a designated partner in Hathway Universal VCN Cable Network LLP	Note 1

Note 1 - Hathway Universal Cabletel and Datacom Private Limited ceased to be a designated partner vide MOU dated 21st October 2016, while the retirement deed was executed on 4th January 2017.

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

**e) Management Discussion and Analysis:**

The Management Discussion and Analysis forms an integral part of this Report and gives detail of the overall industry structure and development, business overview, financial performance review in cable television business and broadband business, key growth drivers, opportunities and threats, risks and concerns, internal control systems and its adequacy.

**f) Dividend:**

Considering the losses incurred during the year under review, your directors have not recommended any dividend for the financial year under review. However, as per Regulation 43A of SEBI (LODR), since the Company falls under top five hundred listed entities as on March 31, 2017, the Company has formulated Dividend Distribution Policy, which can be assessed through web link <http://www.hathway.com/About/Policies>.

**g) Transfer to reserves:**

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

**h) Revision of financial statement:**

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

**i) Deposits:**

Your Company has not accepted any public deposits during the year under review within the meaning of

Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

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

The Company transferred its cable TV business via Slump sale to Hathway Digital Private Limited (f.k.a Hathway Datacom Central Private Limited), a wholly owned subsidiary company of the Company effective close of business hours as of 31st March 2017.

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

Your Company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. Your Company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. Your Company uses an enterprise resource planning (ERP) system to record data for accounting and management information purposes and connects to different locations for efficient exchange of information. The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, process and operating level standard operating procedures. It has continued its efforts to align all its processes and controls with global best practices.

The entity level policies include code of conduct, whistle blower policy and other policies (like organization structure, insider trading policy, HR policy, Electronic Communication policy and Forex policy). The Company has also prepared Risk Control Matrix (RCM) for each of its processes like procure to pay, order to cash, treasury, fixed assets, inventory etc.

The Management Audit Team (MAT) had conducted a review and evaluated the design, adequacy and operating effectiveness of the Internal Financial Controls of the Company. Management testing has been conducted on a sample basis for Revenue ISP, Revenue Cable TV, Expenses & payables, Fixed Assets, Inventory, Procure to pay processes, Borrowings, Investments, Leases, Forex Exposure and Hedging, Compliances, Related Party, Consolidation, Retirement Benefit, Finalisation, Loans & Advances, Contingent Liability and remedial action has been taken or agreed upon with a finite closure date where control weaknesses were identified. A summary of operating controls covered during the year are as follows:

Sr. No.	Particulars	No.
1	Total controls	1066
2	Controls verified	1006
3	% of coverage	94%

During the year, no reportable material weakness in design and effectiveness was observed.

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

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

As per Section 186 (11)(a) read with Schedule VI of the Companies Act, 2013, since the Company qualifies to be the Company providing infrastructural facilities, it is exempted from the applicability of Section 186 except for sub-section (1) of section 186 of the Companies Act, 2013. Accordingly, disclosure of details with respect to investment made, loan given, guarantee given and security made during the financial year 2016-17 in terms of Section 186(4) of the Companies Act, 2013 is not applicable.

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

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

Mr. Biswajit Subramanian (DIN:00905348), Director of the Company resigned from the Board w.e.f March 2, 2017.

In accordance with the provisions of the Companies Act, 2013, none of the Independent Directors are liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Akshay Raheja (DIN:

00288397) and Mr. Viren Raheja (DIN: 00037592), shall retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment. Your Directors recommend the same for your approval.

Mr. Rajan Gupta was appointed as an Additional Director and also Managing Director of the Company w.e.f. 25th November, 2016. As per Section 161 of the Companies Act, 2013, an Additional Director holds office upto the date of next AGM. Accordingly, the Company has received notice u/s 160 of the Companies Act, 2013 along with the requisite deposit from a shareholder proposing the candidature of Mr. Rajan Gupta, for the office of Director of the Company. His appointment and remuneration payable to him were approved by the shareholders through postal ballot on 13th January 2017.

**b. DECLARATION BY INDEPENDENT DIRECTORS:**

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

**3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**

**a. BOARD MEETINGS:**

The Board of Directors met 7 times during the financial year ended 31st March, 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

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

Sr. No.	Date of Meeting
1.	26th May, 2016
2.	17th August, 2016
3.	31st August, 2016
4.	25th November, 2016
5.	12th January, 2017
6.	8th February, 2017
7.	24th March, 2017

**b. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2017, the Board of Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- b. such accounting policies have been selected and applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- c. NOMINATION AND REMUNERATION COMMITTEE:**  
The Board of Directors have in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining credentials, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management Personnel. Annexure-II to this report provides Nomination and Remuneration Policy.
- d. AUDIT COMMITTEE:**  
The scope and terms of reference of the Audit Committee are in accordance with section 177 of the Companies Act, 2013, Audit Charter adopted by the Board of Directors in their meeting held on 11th February, 2015 and the applicable provisions of SEBI (LODR).  
  
During the year under review, the Board of Directors of the Company accepted all the recommendations of the Committee.
- e. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**  
Pursuant to Section 178 of the Companies Act, 2013, the Company has Stakeholders' Relationship Committee of Board of Directors. Owing to resignation of Mr. Jagdishkumar G. Pillai as Managing Director and Chief Executive Officer

from the Board of Directors of the Company, the Committee was reconstituted as below:

Sr. No.	Name of the Member	Designation
1	Mr. Vinayak Aggarwal	Chairman
2	Mr. Viren Raheja	Member
3	Mr. Rajan Gupta	Member

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

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

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

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

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

**g. RISK MANAGEMENT POLICY:**

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

**h. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

As per the provisions of Section 135 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013 and any subsequent amendment thereof, the Board of Directors have constituted Corporate Social Responsibility (CSR) Committee. However,

since the Company has no profits in the preceding 3 financial years, no amount was required to be spent for corporate social responsibility activities. Hence, the Company has not undertaken any CSR initiatives during the year under review. The CSR Policy of the Company is available on the Company's website and can be accessed in the link provided herein below:

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

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

The performance of the Board of Directors and its Committees, Individual Directors and Chairman was evaluated and the same was recorded as satisfactory. The manner of performance evaluation was carried as set out in Nomination and Remuneration Policy.

**j. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) AMENDMENT RULES, 2016:**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review and Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is given in **Annexure - III**.

**4. AUDITORS AND REPORTS**

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

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017:**

The report of Statutory Auditors on accounts for the year ended 31st March, 2017 forms part of the financial statement. The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board of Directors under Section 134(3) of the Companies Act, 2013.

**b. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH 2017:**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practising Company Secretary. M/s. Rathi and Associates, Company Secretaries had been appointed to issue Secretarial Audit Report for the financial year 2016-17.

Secretarial Audit Report issued by M/s. Rathi and Associates, Company Secretaries in Form MR-3 for the financial year 2016-17 forms part to this report and the same is attached as **Annexure - IV**. The said report does not contain any qualification, reservation or adverse remark and therefore do not call for any further explanation or comments from the Board of Directors under Section 134(3) of the Companies Act, 2013.

**c. APPOINTMENT OF AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. G. M. Kapadia & Co, Chartered Accountants, Mumbai have completed their tenure of 3 years as Statutory Auditors of the Company. Hence, the Board of Directors at their Meeting held on 30th May, 2017 proposed appointment of M/s. Nayan Parikh & Co, Chartered Accountants, as the Statutory Auditors of the Company for a term of 5 years. However, their appointment as Statutory Auditors of the Company shall be required to be approved by the members at the ensuing AGM. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

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

**d. COST AUDITORS:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/ Circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendation of the Audit Committee, the Board of Directors at their meeting held on 30th May, 2017, appointed M/s. Ashok Agarwal & Co, Cost Accountants, as the Cost Auditors of the Company for the financial year 2017-2018. The remuneration proposed to be paid to the Cost Auditor, subject to the ratification by the members at the ensuing AGM would not be exceeding ₹ 5,75,000/- (Rupees Five Lakh Seventy

Five Thousand only) plus reimbursement of out of pocket expenses, plus applicable taxes if any. The Cost Audit Report will be filed within the stipulated period of 180 days from the closure of the financial year.

## 5. OTHER DISCLOSURES

### A) OTHER DISCLOSURES AS PER PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 ARE FURNISHED AS UNDER:

#### a. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3) (a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2017 made under the provisions of Section 92(3) of the Act is attached as **Annexure -V** which forms part of this Report.

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

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of

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

Particulars	Rajan Gupta* (from 25.11.2016 to 31.03.2017)	Jagdishkumar G. Pillai** (from 01.04.2016 to 25.11.2016)
All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors (Applicable only in case of Managing Director)	7,289,449	16,120,094
Details of fixed component and performance linked incentives along with the performance criteria	Fixed: 7,289,449 Variable: NIL	Fixed: 14,120,094 Variable: 2,000,000
Service contracts, notice period, severance fees	-	-
Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	-	-

\*Appointed as Managing Director of the Company w.e.f 25th November, 2016.

\*\*Resigned as Managing Director and CEO w.e.f 25th November, 2016

### B) BUSINESS RESPONSIBILITY REPORT

As stated under Regulation 34(2)(f) of SEBI (LODR), since the Company falls under top 500 listed entities based on market capitalization as on 31st March, 2017, Business Responsibility Report needs to be prepared covering key principles on areas like environment, social, governance, stakeholders' relationships etc. and should form part of the Annual Report. However, SEBI vide its Press Release No. 283/2015 declared that as a green initiative, the Business Responsibility Report can

the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure - VI** which forms part of this Report.

### c. RELATED PARTY TRANSACTIONS:

During the financial year 2016-17, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014 and any amendment thereof, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and Regulation 34(3) and 53(f) and Schedule V of SEBI (LODR). During the financial year 2016-17, there were no transactions with related parties which qualify as material transactions under the applicable provisions of the Companies Act, 2013 and SEBI (LODR).

be given on the website of the Company providing website link for the same in Annual Report.

In accordance with the aforesaid, the Company has published the Business Responsibility Report on its website and can be accessed through web link <http://www.hathway.com/About/AnnualReport>

## 6. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were

no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
3. Issue of sweat equity shares to employees of the Company as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
4. Issue of equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014
5. Instances of exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
6. Payment of remuneration or commission from any of its Holding or subsidiary Companies to the Managing Director or the Whole-time Directors of the Company.
7. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the

going concern status and Company's operations in future.

8. Cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
9. There were no frauds reported by the auditor of the Company pursuant to sub-section 12 of section 143 of the Companies Act, 2013.

#### **7. ACKNOWLEDGEMENTS AND APPRECIATION:**

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

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

**Rajan Gupta**

Managing Director  
DIN 07603128

**Vinayak Aggarwal**

Director  
DIN 00007280

Place: Mumbai

Date: 30th May, 2017

#### **Registered Office**

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

CIN: L64204MH1959PLC011421

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

Mail: info@hathway.net website: www.hathway.com

# ANNEXURE - I

## AOC - I

### PART - A

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

Reporting period : 01/04/2016 to 31/03/2017 & Reporting Currency in INR

(₹ In Crores unless Otherwise Stated)

Sl. No.	Name of the Subsidiary	Note	Date of acquisition	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Channels India Network Pvt. Ltd.		20/04/1995	0.09	(1.41)	0.02	1.34	0.00	0.00	0.00	0.00	0.00	NA	95.63
2	Vision India Network Pvt. Ltd.		07/04/1998	0.09	(2.15)	0.01	2.07	0.00	0.00	0.00	0.00	0.00	NA	100.00
3	Liberty Media Vision Pvt. Ltd.		07/04/1998	0.01	(2.28)	0.08	2.35	0.00	0.00	(0.02)	0.00	(0.02)	NA	100.00
4	Ideal Cables Pvt. Ltd.		07/04/1998	0.08	(0.89)	0.01	0.82	0.00	0.00	(0.00)	0.00	(0.00)	NA	100.00
5	Hathway Channel 5 Cable & Datacom Pvt. Ltd.		07/04/1998	0.49	0.17	4.47	3.81	0.00	0.00	(0.01)	0.00	(0.01)	NA	51.00
6	Bee Network & Communication Pvt. Ltd.		07/04/1998	0.10	(1.44)	0.00	1.34	0.00	0.00	0.00	0.00	0.00	NA	100.00
7	Elite Cable Network Pvt. Ltd.		07/04/1998	0.06	(0.08)	0.00	0.02	0.00	0.00	0.00	0.00	0.00	NA	80.00
8	Binary Technology Transfers Pvt.Ltd.		07/04/1998	0.01	(1.70)	0.00	1.69	0.00	0.00	(0.08)	0.00	(0.08)	NA	100.00
9	Hathway Media Vision Pvt. Ltd.		13/08/1998	0.07	0.15	5.56	5.34	1.85	0.03	(0.64)	0.00	(0.64)	NA	100.00
10	UTN Cable Communication Pvt.Ltd.		31/05/1999	0.76	(11.16)	6.69	17.09	0.00	8.16	(2.48)	(0.02)	(2.46)	NA	100.00
11	ITV Interactive Media Pvt. Ltd		09/09/1999	0.08	(0.50)	0.03	0.45	0.00	0.00	(0.00)	0.00	(0.00)	NA	100.00
12	Chennai Cable Vision Network Pvt. Ltd.		30/09/1999	0.18	(2.18)	0.00	2.00	0.00	0.00	0.00	0.00	0.00	NA	75.99
13	Win Cable & Datacom Pvt. Ltd.		15/03/2000	0.20	(19.90)	0.53	20.23	0.00	0.00	(0.00)	0.00	(0.00)	NA	100.00
14	Hathway Space Vision Cabeltel Pvt. Ltd.		15/03/2000	0.01	(1.05)	0.00	1.04	0.00	0.00	0.00	0.00	0.00	NA	100.00
15	Hathway Software Developers Pvt.Ltd.		21/03/2000	0.76	(3.73)	11.22	14.19	0.00	5.43	(2.17)	(0.02)	(2.15)	NA	100.00
16	Hathway Nashik Cable Network Pvt. Ltd.		17/06/2000	0.05	(9.82)	0.69	10.46	0.00	0.00	(0.01)	0.00	(0.01)	NA	90.06
17	Hathway Cnet Pvt. Ltd.		27/07/2000	0.10	(0.53)	0.02	0.45	0.00	0.00	(0.00)	0.00	(0.00)	NA	100.00
18	Hathway United Cables Pvt. Ltd.		01/12/2000	0.01	(0.17)	0.02	0.18	0.00	0.00	(0.00)	0.00	(0.00)	NA	100.00
19	Hathway Internet Satellite Pvt. Ltd.		01/01/2001	0.01	(1.70)	0.00	1.69	0.00	0.00	(0.08)	0.00	(0.08)	NA	100.00
20	Hathway Krishna Cable Pvt. Ltd.		22/07/2002	7.81	(8.63)	10.77	11.59	0.00	9.23	(2.31)	(0.06)	(2.25)	NA	100.00
21	Hathway Mysore Cable Network Pvt. Ltd.		29/11/2003	1.04	(10.08)	4.85	13.88	0.00	4.21	(3.09)	(0.05)	(3.04)	NA	100.00
22	Hathway Prime Cable & Datacom Pvt. Ltd.		03/02/2006	0.45	(0.40)	0.37	0.32	0.00	0.00	(0.05)	0.00	(0.05)	NA	51.00
23	Hathway Gwalior Cable & Datacom Pvt. Ltd.		01/05/2007	0.01	(0.68)	0.07	0.73	0.00	0.00	(0.00)	0.00	(0.00)	NA	100.00
24	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd.		01/03/2008	0.02	(4.19)	0.76	4.93	0.00	0.91	(1.83)	0.00	(1.83)	NA	51.00
25	Hathway Enjoy Cable Network Pvt. Ltd.		07/06/2007	0.01	(0.00)	0.01	0.01	0.00	0.00	(0.00)	0.00	(0.00)	NA	100.00
26	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.		01/05/2007	0.01	(0.01)	0.01	0.00	0.00	0.00	0.00	0.00	0.00	NA	100.00
27	Hathway Kokan Crystal Cable Network Pvt. Ltd.		01/11/2011	0.15	1.73	6.08	4.19	0.00	2.54	(1.27)	(0.26)	(1.01)	NA	96.36
28	Hathway Latur MCN Cable & Datacom Pvt. Ltd.		15/01/2008	0.10	0.24	4.05	3.72	0.00	3.29	0.17	(0.02)	0.18	NA	51.00
29	Hathway MCN Pvt. Ltd.		01/06/2007	1.89	5.87	16.73	8.97	0.41	18.11	(1.28)	(0.86)	(0.42)	NA	51.00
30	Hathway Sonali OM Crystal Cable Pvt Ltd		01/06/2008	0.10	(17.99)	10.57	28.46	0.00	3.01	(0.70)	(0.13)	(0.83)	NA	51.00
31	Hathway ICE Television Pvt Ltd		15/10/2007	0.20	(0.79)	1.05	1.64	0.00	0.00	(0.00)	0.00	(0.00)	NA	51.00

Sl. No.	Name of the Subsidiary	Note	Date of acquisition	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
32	Hathway Digital Pvt. Ltd. (f.k.a. Hathway Datacom Central Pvt. Ltd.)	3	31/12/2007	1.73	(12.64)	1,627.65	1,638.55	14.56	34.69	(28.60)	0.00	(28.60)	N.A	100.00
33	Net 9 Online Hathway Pvt. Ltd.	5	01/03/2008	0.01	1.48	3.46	1.97	0.00	8.83	0.81	0.29	0.52	N.A	50.00
34	Hathway New Concept Cable & Datacom Pvt. Ltd.		01/09/2008	0.15	0.76	13.20	12.28	0.00	5.31	(1.36)	0.00	(1.36)	N.A	100.00
35	Hathway Sai Star Cable & Datacom Pvt. Ltd.	1	01/09/2008	0.14	23.18	66.50	43.18	0.00	16.45	(3.55)	0.00	(3.55)	N.A	51.00
36	Hathway Cable MCN Nanded Pvt. Ltd.	4	17/06/2008	3.36	(2.07)	4.44	3.15	0.00	3.68	(0.07)	0.34	0.28	N.A	45.05
37	Hathway Palampur Cable Network Pvt. Ltd.		01/04/2008	0.03	0.85	1.95	1.08	0.00	1.19	(0.22)	(0.00)	(0.22)	N.A	51.00
38	Hathway Mantra Cable & Datacom Pvt. Ltd.		30/08/2008	0.01	(4.97)	10.29	15.26	0.00	153.67	(0.62)	0.00	(0.62)	N.A	100.00
39	Hathway Dattatray Cable Network Pvt. Ltd.	1	13/05/2009	0.04	(6.77)	9.81	16.54	0.00	6.75	(3.49)	2.87	(6.36)	N.A	51.00
40	Hathway CBN Multinet Pvt. Ltd. (f.k.a. Hathway Bhaskar CBN Multinet Pvt. Ltd.)	1 & 2	01/07/2008	0.05	0.44	4.46	3.96	0.00	1.97	(0.73)	0.01	(0.74)	N.A	51.00
41	Hathway CBN Multinet Pvt. Ltd.	1 & 2	01/07/2008	0.48	2.34	12.19	9.38	0.00	5.43	(0.08)	(0.04)	(0.04)	N.A	51.00
42	Hathway CBN Multinet Pvt. Ltd. (f.k.a. Hathway Bhaskar CBN Multinet Pvt. Ltd.)	1 & 2	01/07/2008	0.50	2.39	8.01	5.13	0.00	6.78	0.50	0.20	0.30	N.A	51.00
43	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.	1 & 2	29/09/2011	0.01	0.73	2.84	2.10	0.00	1.52	0.37	0.00	0.37	N.A	70.00
44	Hathway Bhawani Cabletel & Datacom Ltd.	3	17/05/1999	8.10	(11.94)	12.38	16.22	0.41	12.82	(0.96)	0.00	(0.96)	N.A	51.60
45	Hathway Bhawani NDS Network Pvt. Ltd.	6	13/10/2010	1.55	(1.17)	0.70	0.32	0.01	1.29	0.23	0.00	0.23	N.A	26.32
46	Hathway SS Cable & Datacom LLP		30/09/2012	(0.42)	0.00	2.98	3.40	0.00	0.41	(1.47)	0.00	(1.47)	N.A	50.99
47	Hathway Broadband Pvt. Ltd.		15/10/2014	2.50	0.35	2.85	0.01	0.00	0.25	0.25	0.08	0.17	N.A	100.00
48	GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt. Ltd.)	5	12/10/2007	98.35	273.01	1,276.20	904.84	29.96	652.24	29.65	9.82	19.83	N.A	50.00
49	GTPL Anjali Cable Network Pvt. Ltd.	9 & 14	03/02/2009	0.01	1.28	2.32	1.03	0.00	1.66	0.10	0.03	0.07	N.A	50.00
50	GTPL Solanki Cable Network Pvt. Ltd.	9 & 14	02/07/2008	0.03	0.17	0.66	0.46	0.00	0.61	0.03	0.00	0.03	N.A	25.50
51	GTPL Zigma Vision Pvt. Ltd.	9 & 14	20/02/2009	0.02	0.01	0.44	0.42	0.00	0.27	(0.05)	0.00	(0.05)	N.A	45.10
52	GTPL SK Network Pvt. Ltd.	9 & 14	01/12/2008	0.01	0.41	1.34	0.92	0.00	0.59	(0.15)	0.00	(0.15)	N.A	25.50
53	GTPL Video Badshah Pvt. Ltd.	9 & 14	04/08/2008	0.01	1.34	2.46	1.11	0.06	0.68	(0.02)	0.00	(0.02)	N.A	25.50
54	GTPL Broadband Pvt. Ltd. (f.k.a. GTPL Kutch Network Pvt. Ltd.)	9 & 14	23/01/2009	10.16	4.66	64.99	50.17	0.00	43.32	7.08	2.41	4.68	N.A	49.99
55	GTPL City Channel Pvt. Ltd.	9 & 14	31/07/2008	0.01	(0.01)	0.01	0.01	0.00	0.00	(0.00)	0.00	(0.00)	N.A	25.50
56	GTPL SMC Network Pvt. Ltd.	9 & 14	22/01/2009	0.01	0.17	0.29	0.11	0.00	0.26	(0.01)	(0.00)	(0.01)	N.A	25.50
57	GTPL Surat Telelink Pvt. Ltd.	9 & 14	23/01/2009	0.01	0.06	0.68	0.62	0.00	0.05	0.03	0.00	0.03	N.A	25.50
58	GTPL Vidarbha Telelink Pvt. Ltd.	9 & 14	01/09/2009	0.01	(1.67)	0.37	2.03	0.00	0.00	(0.08)	0.00	(0.08)	N.A	25.61
59	GTPL Space City Pvt. Ltd.	9 & 14	13/04/2009	0.01	0.93	1.10	0.15	0.00	0.12	(0.04)	(0.01)	(0.03)	N.A	25.50
60	GTPL Vision Services Pvt. Ltd.	9 & 14	01/10/2009	0.10	11.39	18.93	7.44	0.00	8.60	0.33	0.10	0.22	N.A	25.50
61	GTPL Narmada Cyberzone Pvt. Ltd.	9 & 14	01/10/2009	0.67	0.54	1.78	0.57	0.00	1.26	(0.09)	(0.04)	(0.05)	N.A	30.00
62	GTPL Shivshakti Network Pvt. Ltd.	9 & 14	01/04/2009	0.01	(0.00)	0.00	0.00	0.00	0.00	(0.00)	0.00	(0.00)	N.A	25.50
63	GTPL Link Network Pvt. Ltd.	9 & 14	15/04/2009	0.10	1.28	1.79	0.41	0.00	0.81	(0.24)	0.00	(0.24)	N.A	25.50
64	GTPL VVC Network Pvt. Ltd.	9 & 14	15/04/2009	0.10	0.07	1.14	0.98	0.00	0.33	(0.28)	0.04	(0.32)	N.A	25.50
65	GTPL Blue Bell Network Pvt. Ltd.	9 & 14	01/10/2009	0.01	(0.61)	0.34	0.94	0.00	0.00	(0.01)	0.00	(0.01)	N.A	46.00
66	GTPL Parshwa Cable Network Pvt. Ltd.	9 & 14	01/10/2009	0.01	0.28	0.69	0.41	0.00	0.41	(0.05)	0.00	(0.05)	N.A	28.66

(₹ In Crores unless Otherwise Stated)

Sl. No.	Name of the Subsidiary	Note	Date of acquisition	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
67	GTPL Insight Channel Network Pvt. Ltd.	9 & 14	01/01/2010	0.02	0.46	0.76	0.27	0.00	0.33	(0.03)	(0.00)	(0.02)	N.A	37.23
68	GTPL Kolkata Cable & Broadband Pariseva Limited	9 & 14	30/06/2010	4.15	13.68	93.73	83.36	0.00	43.09	(3.65)	(0.08)	(3.58)	N.A	25.56
69	GTPL Dahod Television Network Pvt. Ltd.	9 & 14	01/08/2010	0.01	0.41	0.78	0.36	0.00	0.33	(0.05)	(0.02)	(0.04)	N.A	25.50
70	GTPL Jay Santoshima Network Pvt. Ltd.	9 & 14	31/03/2011	0.05	1.05	2.20	1.10	0.00	2.04	(0.07)	(0.01)	(0.06)	N.A	25.50
71	GTPL Sorath Telelink Pvt. Ltd.	9 & 14	01/04/2010	0.05	1.04	2.12	1.03	0.00	1.72	0.19	0.07	0.12	N.A	25.50
72	Gujarat Telelink East Africa Ltd	9 & 14	01/06/2010	0.00	(0.00)	0.21	0.21	0.00	0.00	(0.00)	0.00	(0.00)	N.A	25.50
73	GTPL Shiv Network Pvt. Ltd.	9 & 14	01/10/2010	0.01	0.18	0.31	0.13	0.00	0.15	0.03	0.00	0.02	N.A	25.61
74	GTPL DCPL Pvt. Ltd.	9 & 14	13/03/2015	8.13	(2.25)	21.26	15.39	0.00	4.87	(0.44)	0.21	(0.65)	N.A	25.50
75	GTPL Bansidhar Telelink Pvt. Ltd.	9 & 14	05/11/2014	0.01	0.07	1.07	0.99	0.00	1.21	0.04	(0.00)	0.04	N.A	25.50
76	GTPL Sharda Cable Network Pvt. Ltd.	9 & 14	02/11/2011	0.01	(0.08)	0.31	0.38	0.00	0.04	(0.01)	0.00	(0.01)	N.A	25.50
77	GTPL Ahmedabad Cable Network Pvt. Ltd.	9 & 14	01/06/2011	0.01	0.40	1.74	1.33	0.00	1.53	0.06	0.01	0.05	N.A	25.50
78	DL GTPL Cabnet Pvt. Ltd.	9, 10 & 14	01/11/2011	0.04	(4.98)	27.49	32.85	0.18	11.48	(1.41)	0.00	(1.41)	N.A	13.00
79	GTPL V & S Cable Pvt. Ltd.	9 & 14	17/01/2012	2.30	(2.53)	8.67	8.90	0.00	3.46	(0.33)	0.10	(0.43)	N.A	25.50
80	GTPL Video Vision Pvt. Ltd.	9 & 14	01/10/2012	0.01	0.24	0.82	0.58	0.00	1.46	0.20	0.10	0.10	N.A	25.50
81	Vejji Communication Pvt. Ltd.	9 & 14	01/03/2014	3.23	(3.32)	4.92	5.01	0.00	1.95	(0.46)	(1.12)	0.66	N.A	25.50
82	GTPL Junagadh Network Pvt Ltd	9 & 14	15/03/2016	0.01	0.03	0.27	0.24	0.00	0.47	(0.02)	(0.00)	(0.01)	N.A	25.50
83	GTPL Deesha Cable net Pvt Ltd	9 & 14	17/09/2015	0.01	(0.48)	11.22	11.69	0.00	2.08	(0.03)	0.25	(0.28)	N.A	25.50
84	GTPL Kaizen Infonet Pvt. Ltd	9 & 14	01/04/2015	0.01	0.88	2.16	1.28	0.00	2.90	0.57	0.19	0.38	N.A	50.00
85	GTPL Meghana Distributors Pvt. Ltd.	9 & 14	17/11/2015	0.01	(0.62)	2.49	3.10	0.00	0.33	(0.32)	0.16	(0.48)	N.A	50.00
86	GTPL Abhilash Communication Pvt. Ltd.	9 & 14	15/06/2015	1.25	(0.67)	4.38	3.80	0.00	0.73	(0.21)	0.10	(0.31)	N.A	25.50
87	GTPL Cheilkam Networks (India) Pvt. Ltd.	9 & 14	23/05/2015	1.57	(0.84)	5.17	4.44	0.00	1.81	(0.02)	0.05	(0.07)	N.A	25.50
88	Vizianagar Citi Communications Pvt. Ltd.	9 & 14	01/11/2015	0.50	(0.80)	8.72	9.02	0.00	0.98	(0.91)	0.19	(1.10)	N.A	25.50
89	GTPL TV Tiger Pvt. Ltd.	9 & 14	04/11/2016	0.01	(1.44)	3.50	4.93	0.00	0.26	(0.05)	(0.00)	(0.04)	N.A	25.50
90	GTPL KCBPL Broad band Pvt. Ltd.	9, 11 & 14	14/03/2015	0.01	(7.91)	0.83	1.26	0.00	0.04	(0.42)	0.00	(0.42)	N.A	25.56
91	DL GTPL Broadband Pvt. Ltd.	9, 10, 12 & 14	07/10/2015	0.03	0.21	0.74	0.51	0.00	0.87	0.19	0.00	0.19	N.A	13.00

**Notes:**

- The Company has consolidated the provisional accounts, Refer Note No. 4.02 (B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2017
- Held through subsidiary Hathway Digital Private Limited (Formerly known as Hathway Datacom Central Private Limited)
- Partly held directly by Company and partly through its subsidiary Hathway Media Vision Pvt. Ltd.
- Held through subsidiary Hathway MCN Pvt. Ltd.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Ltd.
- Definition of Subsidiary, Associate and Joint Venture has been considered as per Companies Act, 2013. However same Subsidiary have been considered as Joint Venture as per definition given under Indian Accounting Standards.
- During the year, Hathway Universal Cabletel and Datacom Private Limited, a wholly owned subsidiary of the Company, retired as Designated Partner from Hathway Universal VCN Cable Network LLP. Hence, the Company does not hold any interest in Hathway Universal VCN Cable Network LLP. Also, during the year, the Company sold its stake in Hathway Rajesh Multi Channel Private Limited and Hathway Universal Cabletel and Datacom Private Limited.
- The reporting period for all the subsidiary companies starts from 1st April, 2016 and ends on 31st December, 2016.
- Subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- The Company is a step down subsidiary of the Parent company through GTPL Kolkata cable & Broadband Pariseva Limited.
- The Company is a step down subsidiary of the Parent company through D.L. GTPL Cabnet Private Limited.
- GTPL Hathway Limited (f.k.a GTPL Hathway Private Limited) subsidiary company of the Company has not considered consolidation of one of its subsidiary company, GTPL Jay Mataji Network Private Limited on account of dispute / lack of communication from subsidiary company during the reporting period.
- Held through GTPL Hathway Limited, subsidiary of the Company as per Companies Act, 2013. However, the same has been considered as Joint Venture as per the definition given under Indian Accounting Standards.

CONSOLIDATED FINANCIAL STATEMENTS	STANDALONE FINANCIAL STATEMENTS	REPORT ON CORPORATE GOVERNANCE	MANAGEMENT DISCUSSION & ANALYSIS	DIRECTORS' REPORT	NOTICE OF THE ANNUAL GENERAL MEETING	BOARD OF DIRECTORS	CORPORATE OVERVIEW
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**ANNEXURE - I**

AOC - I

PART - B

**STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATING TO ASSOCIATE AND JOINT VENTURE COMPANIES**

(₹ In Crore unless otherwise stated)

Sr. No	Name of Associate/Joint Venture Companies	Pan Cables Services Pvt. Ltd.	Hathway VCN Cablenet Pvt. Ltd.	Hathway Sukhamrit Cable and Datacom Pvt. Ltd.
1	Latest Audited Balance Sheet	31 March 2017	31 March 2017	31 March 2017
2	Date of Acquisition	10/05/1995	18/03/2009	08/09/2011
3	Shares of Associate/Joint Ventures held by the Company on the year end			
	Number of shares	10	12520	71175
	Amount of Investment in Associate/Joint Venture Companies	0.00	0.10	4.02
	Extent of Holding %	33.33	25.03	49.00
4	Description of how there is significant influence	The Holding Company by virtue of the Share Holding Agreement signed with JV Partners has power to participate in the Operations and Financial activities of the Company	The Holding Company by virtue of the Share Holding Agreement signed with JV Partners has power to participate in the Operations and Financial activities of the Company	The Holding Company by virtue of the Share Holding Agreement signed with JV Partners has power to participate in the Operations and Financial activities of the Company
5	Reason why the Associate/Joint Venture is not Consolidated	NA	NA	NA
6	Networth attributable to Shareholding as per latest audited Balance sheet	(0.62)	(7.81)	26.57
7	Profit/Loss for the year	0.00	0.29	6.47
	(i) Considered in Consolidation	0.00	0.00	0.00
	(ii) Not Considered in Consolidation			

Note:

- 1 The company has consolidated the provisional accounts, Refer Note No. 4.02 (B) of Notes to Accounts of the Consolidated Financial Statements. Hence details given as per last Management Signed Accounts as on March 31, 2017

**For and on behalf of the Board**

**(Vinayak Aggarwal)**  
Director  
DIN : 00007280

**(Rajan Gupta)**  
Managing Director  
DIN : 07603128

**(Ajay Singh)**  
Head Legal, Company Secretary and Chief Compliance Officer  
FCS - 5189

**(Vineet Garg)**  
Chief Financial Officer

Place: Mumbai  
Date : May 30, 2017

## ANNEXURE II

### NOMINATION AND REMUNERATION POLICY

#### (DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT)

##### PREAMBLE

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management of the Company has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of the Company in compliance with Section 178 of the Companies Act, 2013 (the "Act") read with applicable rules thereto and Regulation 19 read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR)"), in order to recommend the persons to be appointed as Director of the Company and one level below the Board of Directors and to pay equitable remuneration to the Directors, Key Managerial Personnel and Senior Management of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company.

##### OBJECTIVE

- 1) To lay down the criteria for identifying the persons who are qualified to become directors and who may be appointed in Senior Management and recommending to the Board of Directors of the Company their appointment and removal.
- 2) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director.
- 3) To formulate the policy relating to remuneration of Directors, Key Managerial Personnel and Senior Management.
- 4) To formulate the criteria for evaluation of performance of all the Directors on the Board.
- 5) To devise a policy on diversity of Board of Directors of the Company.

##### DEFINITION

"Board of Directors" or "Board" in relation to a Company, means the collective body of the Directors of the Company, in terms of sub-section (10) of section 2 of the Act.

"Independent Director" means a director as referred to in sub-section (6) of section 149 of the Act.

"Key Managerial Personnel" in terms of sub-section (51) of section 2 of the Act means-

- i. the Chief Executive Officer or the Managing Director or the Manager;
- ii. the Company Secretary;
- iii. the Whole Time Director;

- iv. the Chief Financial Officer and
- v. such other officer as may be prescribed.

"**Remuneration**" means any money or its equivalent given or passed to any person for position occupied in the Company and responsibility being vested on him and includes perquisites as defined under the Income Tax Act, 1961.

"**Senior Management**" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

"**Committee**" means Nomination and Remuneration Committee of the Board of Directors of the Company constituted under section 178 of the Act.

"**Other capitalised terms**" which are not defined in this Policy shall have the meaning as defined in the Act and SEBI(LODR).

This Policy is divided in four parts:

**Part A** - Policy for Appointment and Removal of Director, Key Managerial Personnel and Senior Management;

**Part B** - Policy for Remuneration of Directors, Key Managerial Personnel and Senior Management;

**Part C** - Policy for Performance Evaluation of Board of Directors of the Company;

**Part D** - Policy on Diversity of Board of Directors of the Company.

#### PART A-POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

##### A. APPOINTMENT

1. The Committee shall identify and ascertain the person for appointment as Director, Key Managerial Personnel and Senior Management based on the following parameters:
  - i. Integrity;
  - ii. Qualification;
  - iii. Knowledge and Competency and
  - iv. Experience
2. The Committee to decide suitability of the qualification, expertise and experience possessed by a person for the concerned position.
3. The Committee shall recommend the appointment to the Board of Directors of the Company.
4. The appointment of Managing Director and Independent Director of the Company shall be strictly in accordance with the applicable provisions

of the Companies Act, 2013 and any other applicable law for the time being in force.

5. The Committee to impart training to the person appointed as Director of the Company, on matters related to the Company viz. profile, the core business, its area of operations and work mechanism etc.

#### **B. TERM/TENURE**

1. The tenure for the Executive Directors, Non-Executive Directors and Independent Directors shall be governed by the terms defined in the Act and SEBI (LODR).
2. The tenure of the Key Managerial Personnel (except Managing Director) and Senior Management will be governed by the Company's Human Resource Policy.

#### **C. REMOVAL**

1. Subject to the applicable provisions of the Act and SEBI (LODR), the Committee may recommend the removal of any of the Board of Directors of the Company if he/she has incurred disqualification under Section 164 of the Act or as per Section 167 or Section 169 of the Act. The reason for removal needs to be recorded in writing, subject to the provisions and compliance of the said Act, rules and regulations and forward it to the Board of Directors for their consideration.
2. The removal of the Key Managerial Personnel (except Managing Director) and Senior Management will be governed by the Human Resource Policy.

#### **D. RETIREMENT**

The Whole-time Directors (WTD), Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and prevailing policy of the Company. The Board will have the discretion to retain the WTD, Key Managerial Personnel and the Senior Management Personnel in the same position/ remuneration or otherwise, even after attaining the retirement age for the benefit of the Company.

### **PART B-POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

#### **A. REMUNERATION TO MANAGING DIRECTOR**

1. The remuneration to Managing Director of the Company shall be governed by the applicable provisions of the Act or under any other enactment for the time being in force.

2. The Committee may make such recommendations to the Board of Directors of the Company as it may consider appropriate in connection with the remuneration to Managing Director.

#### **B. REMUNERATION TO DIRECTORS OTHER THAN MANAGING DIRECTOR**

1. The directors other than Managing Director of the Company shall receive remuneration by way of sitting fees for attending meetings of Board or Committee, as per the provisions of Section 197 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.
2. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and SEBI (LODR), as amended from time to time.
3. Commission, if applicable, may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.

#### **C. REMUNERATION TO KEY MANAGERIAL PERSONNEL (EXCEPT MANAGING DIRECTOR) AND SENIOR MANAGEMENT**

1. The remuneration to Key Managerial Personnel (except Managing Director) and Senior Management shall consist of fixed pay and incentive pay in compliance with the Act and in accordance with the Company's Policy.
2. The fixed pay shall include monthly remuneration, employers' contribution etc. as decided from time to time.
3. The payment of incentive shall be decided based on the performance of the Company and performance of Key Managerial Personnel (except Managing Director) and Senior Management.

### **PART C-POLICY FOR PERFORMANCE EVALUATION OF BOARD OF DIRECTORS OF THE COMPANY**

#### **A. EVALUATION**

1. The Committee shall carry out the evaluation of performance of every director on an annual basis.
2. The evaluation criteria shall vary for:
  - i. Board as a whole;
  - ii. Committees of the Board;
  - iii. Individual Directors and Chairman and
  - iv. Key Managerial Personnel and Senior Management.

**i. Board as a whole**

Some of the specific areas that should be considered in a performance evaluation of the entire Board by the Independent Directors:

Sr. No.	Assessment Criteria
1.	Is the composition of the board appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy and to conduct its affairs effectively?
2.	Whether there is sufficient diversity in the Board with proper mix of qualification?
3.	Are sufficient numbers of board meetings, of appropriate length, being held to enable proper consideration of issues?
4.	Independent Directors meet all applicable independence requirements.
5.	The Board of Directors is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
6.	The information provided, for the agenda to be dealt with, to directors prior to board meetings meets expectations in terms of length and level of details sufficient for the Board to take decision. Whether Board members come prepared to meetings and discuss the matter at length in the best interest of the Company and address issues that might present a conflict of interest.
7.	The Board receives regular financial updates and takes all necessary steps to ensure the operations of the organization are sound and reviews the organization's performance in achieving mission on a regular basis.
8.	Company has necessary Committees which are required and these Committees are working effectively as per the reference approved by the Board.
9.	Nomination and appointment of Board members and their remuneration follow clearly established procedures using known criteria as laid down by the Nomination and Remuneration Committee.
10.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.

**ii. Committees of the Board**

Some of the specific areas that should be considered in a performance evaluation of the Committees of the Board:

Sr. No.	Assessment Criteria
1.	Whether the mandate, composition and working procedures is clearly defined and disclosed and as per the provisions of the applicable law(s)?
2.	Whether the Committee has fulfilled its functions as assigned by the Board and laws as may be applicable?
3.	Are sufficient numbers of meetings, of appropriate length, being held to enable proper consideration of agenda?
4.	The information provided to members prior to meetings meets expectations in terms of length and level of detail and members come prepared to meetings and ask appropriate questions of management and address issues that might present a conflict of interest.
5.	Whether the Committee's recommendations contribute effectively to the decisions of the Board?

**iii. Individual Directors and Chairman****Non-Executive Directors:**

Some of the specific issues and questions that should be considered in a performance evaluation of the Non-Executive Directors:

Sr. No.	Assessment Criteria
1.	Attendance at meetings of the Board and Committees, if applicable, thereof.
2.	Participation at the Board Meeting and Committee Meetings, if applicable thereof.
3.	Leadership initiative like innovative ideas and planning towards growth of the Company and steps initiated towards Branding of the Company.
4.	Adherence to ethical standards and Code of Conduct of Company.
5.	Compliance with policies, Reporting of frauds, violation etc. and disclosure of interest.
6.	Contribution towards growth of the Company including actual vis-a-vis budgeted performance.
7.	Interpersonal relations with other directors and management.
8.	Safeguarding of confidential information.

**Independent Directors:**

Some of the specific issues and questions that should be considered in a performance evaluation of the Independent Directors:

<b>Sr. No.</b>	<b>Assessment Criteria</b>
1.	Attendance at meetings of the Board and Committees, if applicable, thereof.
2.	Participation at the Board Meeting and Committee Meetings.
3.	Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
4.	Adherence to ethical standards and Code of Conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest.
5.	Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
6.	Contribution towards growth of the Company including actual vis-a-vis budgeted performance.
7.	Interpersonal relations with other directors and management.
8.	Objective evaluation of Board's performance, rendering independent, unbiased opinion.
9.	Safeguarding of confidential information.
10.	Contribution to the enhancement of brand image of the Company.

**Chairman:**

Some of the specific issues and questions that should be considered in a performance evaluation of the Chairman:

<b>Sr. No.</b>	<b>Assessment Criteria</b>
1.	Attendance at meetings of the Board and Committees, if applicable, thereof.
2.	Participation at the Board Meeting and Committee Meetings, if applicable thereof.
3.	Whether the Chairman possess quality of leadership, coordination and steering skills, etc.
4.	Whether the Chairman is sufficiently committed to the Board and its meetings.
5.	Adherence to ethical standards and Code of Conduct of Company.
6.	Whether the Chairman is impartial in conducting discussions, seeking views and dealing with dissent.
7.	Whether due importance is being given for shareholder's interest in discussions and taking appropriate decisions.
8.	Interpersonal relations with other directors and management.
9.	Safeguarding of confidential information.
10.	Whether the Chairman displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to co-ordinate the discussion etc. and is overall able to steer the meeting effectively.

**iv. Key Managerial Personnel and Senior Management****Non-Executive Directors:**

Some of the specific issues and questions that should be considered in a performance evaluation of Key Managerial Personnel:

<b>Sr. No.</b>	<b>Assessment Criteria</b>
1.	Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
2.	Adherence to ethical standards and Code of Conduct of Company.
3.	Concerns to be highlighted to the Board and provide constructive contribution to resolve issues at meetings.
4.	Contribution towards growth of the Company including actual vis-a-vis budgeted performance.
5.	Interpersonal relations with management.
6.	Safeguarding of confidential information.
7.	Contribution to the enhancement of brand image of the Company.

**B. RATING SCALE**

A five point rating scale for performance review is to be followed:

<b>Scale</b>	<b>Performance</b>
5	Excellent
4	Very Good
3	Good
2	Average
1	Poor

**C. FEEDBACK**

Based on the criteria and rating scale accorded to each of the aforesaid levels, written assessment may be given to them which would be honest and without bias.

**D. REVIEW**

1. The performance evaluation process and related tools will be reviewed by the Committee on need basis and the Committee may periodically seek independent external advice in relation to the process.
2. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

**PART D-POLICY ON DIVERSITY OF BOARD OF DIRECTORS OF THE COMPANY****A. POLICY STATEMENT**

The Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company. Diversity at Board level is an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of varieties of skills, regional and industry experience, background, race, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when required should be balanced appropriately.

The Company maintains that Board appointments should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole taking into account knowledge, professional experience and qualifications, gender, age, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time for it to function effectively. In the process of attaining a diverse Board based on the aforementioned criteria, the following criteria needs to be assessed:

**I. OPTIMUM COMPOSITION**

- a) The Board shall have an optimum combination of executive and non-executive directors and not less than fifty per cent of the Board of Directors comprising non-executive directors;
- b) At least half of the Board should comprise of independent directors (where the Chairman of the Board is executive) or at least one-third of the Board should comprise of independent directors (where the Chairman of the Board is non-executive);
- c) The Company shall continue to have at least one woman director on the Board to ensure that there is no gender inequality on the Board.

**II. RECOMMENDATION**

While recommending the appointment of new directors, the Committee will:

- a) Review Board composition, consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.
- b) Identify suitable candidates for appointment to the Board, consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

**III. FUNCTIONAL DIVERSITY**

- a) Appointment of directors to the Board of the Company should be based on specific needs and business of the Company. Appointment should be done based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company;
- b) Knowledge of and experience in domain areas such as finance, legal, risk management, industry, etc., should be duly considered while making appointments to the Board level;
- c) While appointing Independent Directors, care should be taken as to the independence of the proposed appointee;
- d) Directorships in other companies may also be taken into account while determining the candidature of a person.

**IV. EVALUATION**

As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the Committee shall consider the balance of skills, experience, independence and knowledge of Directors on the Board, the diversity representation of the Board, how the Board works together as a unit, and other factors relevant to its effectiveness.

**B. MEASURABLE OBJECTIVES**

The Committee will discuss and agree annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. At any given time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

**C. REVIEW OF THE POLICY**

The Committee will review the Policy as and when required, which will include an assessment of the effectiveness of the Policy.

## ANNEXURE III

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

Median Remuneration: ₹ 709,752 per annum.

Except Managing Director, no other director has been paid any remuneration. Remuneration paid to:

Mr. Jagdishkumar G. Pillai, Managing Director and Chief Executive Officer of the Company from 1st April, 2016 to 25th November, 2016 is ₹ 16,120,094/-

Mr. Rajan Gupta, Managing Director of the Company from 25th November, 2016 to 31st March, 2017 is ₹ 7,289,449/-

The percentage increase in the median remuneration of employees in the financial year: 7.05%

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

Sr. No.	Name of the Director*/KMP & their Designation	Remuneration of Director/ KMP for financial year 2016-17 (Amount in ₹)	% increase in Remuneration in the Financial Year 2016-17	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Jagdishkumar G. Pillai Managing Director and CEO <sup>1</sup> (from 01.04.2016 to 25.11.2016)	16,120,094	8.24	34.69
2.	Mr. Rajan Gupta Managing Director <sup>2</sup> (from 25.11.2016 to 31.03.2017)	7,289,449	9.37	29.52
3.	Mr. Vineet Garg Chief Financial Officer	9,444,000	18.38	13.31
4.	Mr. Ajay Singh Head Legal, Company Secretary and Chief Compliance Officer	5,993,333	38.17	8.44

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

<sup>1</sup>Resigned as Managing Director and CEO w.e.f. 25th November, 2016

<sup>2</sup>Appointed as Managing Director w.e.f. 25th November, 2016

There were 625 permanent employees on the rolls of the Company.

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

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is 50.

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

**STATEMENT PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016:****A. List of top 10 employees of the Company in terms of remuneration drawn and employees who drew remuneration during the financial year not less than ₹ 1.02 Crores per annum:**

Sr. No.	Name	Designation	Date of Joining	Remuneration (in ₹)	Age (years)	Experience (Years)	Qualification	Last employment and designation held
1.	Mr. Jagdishkumar G. Pillai	Managing Director and CEO	21.12.2012	16,120,094	55	29	B.Com, Chartered Accountant	Reliance Industries Limited-President, Media and Entertainment
		Outgoing		5,920,017				
2.	Mr. Rajan Gupta	President	01.07.2014	48,364,000	43	18	MBA, BE (Civil)	Tata Teleservices Limited-Chief Operating Officer
		Managing Director		7,289,449				
3.	Mr. Tavinderjit Singh Panesar	Chief Executive Officer-Video Business	08.12.2014	20,146,170	52	19	B.Com	Star India Private Limited-Executive Vice President

<sup>1</sup>The contractual terms of Mr. Rajan Gupta are governed by the resolution passed by the shareholders through postal ballot on 13th January, 2017.

<sup>2</sup>None of the employees mentioned above are related to any of the Directors of the Company within the meaning of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

<sup>3</sup>None of the employees of the Company, employed throughout the financial year 2016-17, were in receipt of remuneration in excess of that drawn by the managing director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

<sup>4</sup>Except Mr. Rajan Gupta, none of the employees' employment is contractual in nature.

<sup>5</sup>Remuneration of managerial personnel as per Schedule V of the Companies Act, 2013 includes salary, bonus, commission, various allowance, contribution to provident fund and superannuation fund and taxable value of perquisites but excluding provision for gratuity and leave encashment.

**B. Employees employed for the part of the year and drew remuneration during the financial year 2016-17 at a rate which in aggregate was not less than ₹ 8.50 Lakhs per month: N.A.**

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

**For and on behalf of the Board****Rajan Gupta**

Managing Director  
DIN 0760128

**Vinayak Aggarwal**

Director  
DIN 00007280

Place: Mumbai

Date: 30th May, 2017

**Registered Office**

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

CIN: L64204MH1959PLC011421

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

Mail: info@hathway.net website: [www.hathway.com](http://www.hathway.com)

## ANNEXURE IV

### SECRETARIAL AUDIT REPORT

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

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

To,  
The Members

**HATHWAY CABLE AND DATACOM LIMITED**

Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road,  
Santacruz (West), Mumbai – 400 054

Dear Sir(s),

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Hathway Cable and Datacom Limited (hereinafter called “the Company”) as given in **Annexure I**, for the Financial Year ended on 31st March, 2017, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange

Board of India Act, 1992 ('SEBI Act'):-

- i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report:-
    - (i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    - (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
    - (iv) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
    - (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
    - (vi) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  3. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings were not attracted to the Company under the financial year under report.
  4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws specifically applicable to the Company:
    1. Cable Television Networks (Regulation) Act, 1995, Cable Television Network (Regulation) Rules, 1994 and Content Certification Rules, 2008;
    2. The Cinematography Act, 1952;

3. Telecom Regulatory Authority of India Act, 1997;
4. Indecent Representation of Women (Prohibition) Act, 1986.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the financial year under report, the Company has:

- generally complied with the provisions of the Secretarial Standards referred to above;
- complied with the provisions of the Insider Trading Code as regards the closure of the Trading window except in case of a Board meeting called at a shorter notice for which the Trading window was closed for a shorter period;
- complied with the provisions of the other applicable Acts, Rules, Regulations, Guidelines etc. mentioned above. The Company is in process of transferring unclaimed / unpaid share application money in the Investor Education And Protection Fund (IEPF).

**We further report that:**

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

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

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

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

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

- (a) Sale of upto 90,00,000 Equity Shares held by the Company in GTPL Hathway Limited under the proposed Initial Public Offer by the said Company;
- (b) Withdrawal of the Scheme of demerger filed with Bombay High Court for demerger of the ISP business of the Company into Hathway Broadband Private Limited;
- (c) Disposing off Cable Television business of the Company into Hathway Digital Private Limited (formerly known as Hathway Datacom Central Private Limited), Wholly Owned Subsidiary of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013 by way of slump sale.

**For Rathi & Associates  
Company Secretaries**

**Himanshu S. Kamdar**  
Partner

Place: Mumbai  
Date: 30th May 2017

FCS : 5171  
COP: 3030

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

**ANNEXURE - I**

List of documents verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March, 2016;
3. Minutes of the Board of Directors and Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee of the Company along with the respective Attendance Registers for meetings held during the Financial Year under report;
4. Minutes of General Body Meetings/ Postal Ballot(s) held during the Financial Year under report;
5. Proof of circulation and delivery of notice, agenda and notes to agenda for Board and Committee Meetings.
6. Proof of circulation of draft as well as certified signed Board & Committee meetings minutes as per Secretarial Standards.
7. Policies framed by the Company viz.
  - Policy on Related Party Transactions,
  - Policies on Material Subsidiaries,
  - Whistle Blower Policy,
  - Corporate Social Responsibility Policy,
  - Risk Management Policy & Framework,
  - Nomination & Remuneration Policy,
  - Code of Conduct for Independent Directors,
  - Hathway Cable and Datacom Limited – Code of Conduct for Employees; and
  - Internal Financial Controls;
8. Statutory Registers under Companies Act, 2013
9. Copies of Notice, Agenda and Notes to Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation;
10. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013;
11. Intimations received from directors under the prohibition of Insider Trading Code;
12. e-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the Financial Year under report;
13. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement entered with the Stock Exchanges and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report;
14. E-mails evidencing dissemination of information related to closure of Trading window;
15. Internal Code of Conduct for prevention of Insider Trading by Employee/Directors/ Designated Persons of the Company;
16. Compliance Certificate placed before the Board of Directors from time to time; Quarterly Related Party Transactions statements;
17. Documents filed with Stock Exchanges;
18. Details of Sitting Fees paid to all directors for attending the Board Meetings and Committees.

**ANNEXURE – II**

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

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Rathi & Associates  
 Company Secretaries**

**Himanshu S. Kamdar**  
 Partner  
 FCS : 5171  
 COP: 3030

Place: Mumbai  
 Date: 30th May 2017

**ANNEXURE V****MGT-9-EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31st March, 2017

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

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	:	L64204MH1959PLC011421
<b>Registration Date</b>	:	07 <sup>th</sup> August 1959
<b>Name of the Company</b>	:	Hathway Cable and Datacom Limited
<b>Category / Sub-Category of the Company</b>	:	Public Limited Company
<b>Address of the Registered office and contact details</b>	:	Rahejas, 4 <sup>th</sup> Floor, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
<b>Whether listed company</b>	:	Yes / No
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	:	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083 Tel : (022) 49186000 Fax : (022) 49186060

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

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

<b>Sl. No.</b>	<b>Name and Description of main products/services</b>	<b>NIC Code of the Product/service</b>	<b>% to total turnover of the company</b>
1	Cable TV Service	Division 61- 61103 and 61104 (NIC Code of 2008).	₹ 835.26 Cr (62.78%)
2	Broadband Service		₹ 495.29 Cr (37.22%)

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

<b>Sl. No.</b>	<b>Name and address of the Company</b>	<b>CIN / GLN</b>	<b>Holding/ subsidiary/ associate</b>	<b>% of Shareholding</b>	<b>Applicable section</b>
1.	Channels India Network Pvt. Ltd. 103, 5th Floor, New Awadi Road, Kilpauk, Chennai - 600010	U74999TN1995PTC030929	Subsidiary	95.63	2(87)(ii)
2.	Vision India Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (W), Mumbai - 400054	U64204MH1996PTC291662	Subsidiary	100.00	2(87)(ii)
3.	Liberty Media Vision Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64100MH1996PTC100667	Subsidiary	100.00	2(87)(ii)
4.	Ideal Cables Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (W), Mumbai - 400054	U74999MH1996PTC288227	Subsidiary	100.00	2(87)(ii)
5.	Hathway Channel 5 Cable & Datacom Pvt. Ltd. Plot No. B1/G3, 4th, 5th & 6th Floor, Mohan Industrial Estate, Main Mathura Road, New Delhi - 110044	U64204DL1996PTC083083	Subsidiary	51.00	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
6.	Bee Network & Communications Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64200MH1996PTC287619	Subsidiary	100.00	2(87)(ii)
7.	Elite Cables Network Pvt. Ltd. 103, 5th Floor, New Awadi Road, Kilpauk, Chennai - 600010	U74300TN1995PTC032771	Subsidiary	80.00	2(87)(ii)
8.	Binary Technology Transfers Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U74140MH1987PTC045344	Subsidiary	100.00	2(87)(ii)
9.	Hathway Media Vision Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (West), Mumbai - 400054	U64204MH1995PTC086909	Subsidiary	100.00	2(87)(ii)
10.	UTN Cable Communication Pvt. Ltd. 288, Chinappa Layout, Kullappa Circle, Kammanahali, Bangalore - 560 084, Karnataka	U92132KA1998PTC024132	Subsidiary	100.00	2(87)(ii)
11.	ITV Interactive Media Pvt. Ltd Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U45200MH1991PTC064230	Subsidiary	100.00	2(87)(ii)
12.	Chennai Cable Vision Network Pvt. Ltd. 1, Ramaswamy Naicken Street, T. T. K. Road, Avertpet, Chennai - 600018	U64204TN1999PTC042488	Subsidiary	75.99	2(87)(ii)
13.	Win Cable and Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64200MH1999PTC120865	Subsidiary	100.00	2(87)(ii)
14.	Hathway Space Vision Cabletel Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64200MH1998PTC128169	Subsidiary	100.00	2(87)(ii)
15.	Hathway Software Developers Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U72200MH1994PTC078279	Subsidiary	100.00	2(87)(ii)
16.	Hathway Nashik Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64200MH1999PTC122539	Subsidiary	90.06	2(87)(ii)
17.	Hathway Cnet Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U99999MH1999PTC123302	Subsidiary	100.00	2(87)(ii)
18.	Hathway United Cables Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U31300MH2000PTC129833	Subsidiary	100.00	2(87)(ii)
19.	Hathway Internet Satellite Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64200MH1999PTC123303	Subsidiary	100.00	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
20.	Hathway Krishna Cable Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U92132MH2001PTC130548	Subsidiary	100.00	2(87)(ii)
21.	Hathway Mysore Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U31300MH2000PTC129831	Subsidiary	100.00	2(87)(ii)
22.	Hathway Prime Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U31300MH2000PTC129830	Subsidiary	51.00	2(87)(ii)
23.	Hathway Gwalior Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64204MH2007PTC170939	Subsidiary	100.00	2(87)(ii)
24.	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U72200MH2008PTC177805	Subsidiary	51.00	2(87)(ii)
25.	Hathway Enjoy Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U32305MH2007PTC171401	Subsidiary	100.00	2(87)(ii)
26.	Hathway JMD Farukhabad Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64204MH2007PTC171161	Subsidiary	100.00	2(87)(ii)
27.	Hathway Kokan Crystal Cable Network Pvt. Ltd. Shraddha Saburi, Ground Floor, P M Road, Behind Meghdoot Building, Vile Parle East, Mumbai - 400057	U64203MH2008PTC182256	Subsidiary	96.36	2(87)(ii)
28.	Hathway Latur MCN Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U92100MH2008PTC177328	Subsidiary	51.00	2(87)(ii)
29.	Hathway MCN Pvt. Ltd. 310/311, Akshaydeep Plazatown Centre, CIDCO Jalna Road, Aurangabad, Maharashtra - 431005	U92130MH2005PTC152694	Subsidiary	51.00	2(87)(ii)
30.	Hathway Sonali OM Crystal Cable Pvt Ltd Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U72900MH2000PTC129836	Subsidiary	51.00	2(87)(ii)
31.	Hathway Ice Television Pvt Ltd D-59/149, Shivpurva, Sgra, Varanasi - 221010	U64203UP2007PTC032933	Subsidiary	51.00	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
32.	Hathway Digital Private Limited (f.k.a. Hathway Datacom Central Pvt. Ltd.) 805/806, 8th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai - 400098	U92130MH2007PTC290016	Subsidiary	100.00	2(87)(ii)
33.	Net 9 Online Hathway Pvt Ltd 2 Prithvi Emperor, New Prabhadevi Road, Prabhadevi, Mumbai - 400025	U64202MH2004PTC149657	Subsidiary	50.00	2(87)(ii)
34.	Hathway New Concept Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U72900MH2000PTC129837	Subsidiary	100.00	2(87)(ii)
35.	Hathway Sai Star Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U72900MH2008PTC184787	Subsidiary	51.00	2(87)(ii)
36.	Hathway Cable MCN Nanded Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U92130MH2008PTC179952	Subsidiary	45.05	2(87)(ii)
37.	Hathway Palampur Cable Network Pvt. Ltd. 1, Lohana, Palampur, Himachal Pradesh - 176061	U92190HP2008PTC030849	Subsidiary	51.00	2(87)(ii)
38.	Hathway Mantra Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U64204MH2007PTC173624	Subsidiary	100.00	2(87)(ii)
39.	Hathway Dattatray Cable Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U74900MH2009PTC192366	Subsidiary	51.00	2(87)(ii)
40.	Hathway CBN Multinet Pvt. Ltd. (f.k.a. Hathway Bhaskar CBN Multinet Pvt. Ltd.) Plot No 5, Block 1, Akashganga Complex, Supela, Bhilai, Chattisgarh - 492003	U72900CT2006PTC018352	Subsidiary	51.00	2(87)(ii)
41.	Hathway CCN Multinet Pvt. Ltd. (f.k.a. Hathway Bhaskar CCN Multinet Pvt. Ltd.) Pagariya Complex, Mini Mata Parisar, Near Pandri Bus Station, Pandri, Raipur, Chhattisgarh - 492003	U64200CT2007PTC020440	Subsidiary	51.00	2(87)(ii)
42.	Hathway CCN Entertainment (India) Pvt. Ltd. (f.k.a. Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.) Ware House Road, Bilaspur, (C.G.) - 495001	U74999CT2008PTC020658	Subsidiary	51.00	2(87)(ii)
43.	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd. BTV, Dainik Bhaskar Building, 2nd Floor, 4/54, Press Complex, A.B. road, Indore - 452 003	U92130MP2011PTC026839	Subsidiary	70.00	2(87)(ii)

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Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
44.	Hathway Bhawani Cabletel and Datacom Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	L65910MH1984PLC034514	Subsidiary	51.60	2(87)(ii)
45.	Hathway Bhawani NDS Network Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U74990MH2010PTC208960	Subsidiary	26.32	2(87)(ii)
46.	Hathway SS Cable & Datacom LLP Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	AAB-0552	Associate	50.99	2(6)
47.	Hathway Broadband Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U74999MH2014PTC257407	Subsidiary	100.00	2(87)(ii)
48.	Hathway Sukhamrit Cable & Datacom Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U92130MH2004PTC144245	Associate Company	49.00	2(6)
49.	Hathway VCN Cablenet Pvt. Ltd. Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (w), Mumbai - 400054	U92190MH1999PTC117912	Associate Company	25.03	2(6)
50.	Pan Cable Services Pvt. Ltd. 104, Mansi Complex, Premchand Nagar, Satellite Road, Ahmedabad - 380015	U31300GJ1995PTC025831	Associate Company	33.33	2(6)
51.	GTPL Hathway Ltd. (f.k.a GTPL Hathway Pvt. Ltd.) 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad - 380004	U64204GJ2006PLC048908	Subsidiary	50.00	2(87)(i)
52.	GTPL Anjali Cable Network Pvt. Ltd. C/202, Shahjanand Opp. Swaminarayan Mandir, Sahibaug Ahmedabad GJ - 380004 In	U64204GJ2008PTC054633	Subsidiary	50.00	2(87)(ii)
53.	GTPL Solanki Cable Network Pvt. Ltd. C/O Amrutbhai Patel, Opp Bank of India, Piplod Gam, Surat-395001	U92199GJ2004PTC044487	Subsidiary	25.50	2(87)(ii)
54.	GTPL Zigma Vision Pvt. Ltd. B-1 Paradise Apartments, AthwaGate, Surat -395001	U32209GJ1991PTC016738	Subsidiary	45.10	2(87)(ii)
55.	GTPL SK Network Pvt. Ltd. Dwarkesh Darshan, New Kacchia Street, Opp Mukhyakumar Shala, Anand, Gujarat - 388001	U72900GJ2008PTC081391	Subsidiary	25.50	2(87)(ii)
56.	GTPL Video Badshah Pvt. Ltd. C/202, Shahjanand Opp. Swaminarayan Mandir, Sahibaug Ahmedabad Gujarat - 380 004, India.	U64204GJ2008PTC054616	Subsidiary	25.50	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
57.	GTPL Broadband Private Limited (f.k.a. GTPL Kutch Network Pvt. Ltd.) 202, 2Ndfloor, Sahjanand Shopping Centre, Opp.swaminarayan Mandir, Shahibaug Ahmedabad GJ - 380004 In	U64204GJ2008PTC054111	Subsidiary	49.99	2(87)(ii)
58.	GTPL City Channel Pvt. Ltd. C/202, Shahjanand Opp. Swaminarayan Mandir, Sahibaug Ahmedabad GJ - 380004 In	U64204GJ2008PTC054647	Subsidiary	25.50	2(87)(ii)
59.	GTPL SMC Network Pvt. Ltd. C/202, Shahjanand Opp. Swaminarayan Mandir, Sahibaug Ahmedabad GJ - 380004 In	U64204GJ2008PTC054650	Subsidiary	25.50	2(87)(ii)
60.	GTPL Surat Telelink Pvt. Ltd. 6/288,289 Sailila Building, Manchapura Vidheshwar Mahadevi Sheri, B/H Amisha Hotel, Surat - 395003	U64204GJ2008PTC052871	Subsidiary	25.50	2(87)(ii)
61.	GTPL Vidarbha Telelink Pvt. Ltd. 2nd Floor, Sahjanand Shopping Centre, Opp.Swaminarayan Mandir, Shahibaug Ahmedabad, Gujarat - 380 004, India.	U72900GJ2008PTC053711	Subsidiary	25.61	2(87)(ii)
62.	GTPL Space City Pvt. Ltd. C/202, Shahjanbad Opp. Swaminarayan Mandir, Sahibaug Ahmedabad GJ - 380004 In	U64204GJ2008PTC054649	Subsidiary	25.50	2(87)(ii)
63.	GTPL Vision Services Pvt. Ltd. A-33, Sanidhya Complex, Opp. Capital Commercial, Ashram Road, Ahmedabad, Gujarat - 380 006, India.	U64204GJ2008PTC053271	Subsidiary	25.50	2(87)(ii)
64.	GTPL Narmada Cyberzone Pvt. Ltd. Nandvan Complex, 3rd Floor, Opp Shanti Baug, Sevashram Road, Bharuch, Gujarat - 392001	U32309GJ1999PTC035618	Subsidiary	30.00	2(87)(ii)
65.	GTPL Shivshakti Network Pvt. Ltd. 202, 2ndfloor, Sahjanand Shopping Centre, Opp.Swaminarayan Mandir, Shahibaug Ahmedabad Gujarat 380004	U64204GJ2008PTC054373	Subsidiary	25.50	2(87)(ii)
66.	GTPL Link Network Pvt. Ltd. Jay Maharaj Complex, Dumral Bazar, Nadiad - 387001	U64204GJ2009PTC056621	Subsidiary	25.50	2(87)(ii)
67.	GTPL VVC Network Pvt. Ltd. Patel Electronics, Op. Chandan Book Store, Mota Bazar, Vallabh Vidyanagar - 388120	U64204GJ2009PTC056619	Subsidiary	25.50	2(87)(ii)
68.	GTPL Blue Bell Network Pvt. Ltd. 36, City Centre, 3rd Floor, C. G. Road, Navrangpura, Ahmedabad - 380009	U64204GJ2010PTC059691	Subsidiary	46.00	2(87)(ii)
69.	GTPL Parshwa Cable Network Pvt. Ltd. 11, Shriraj 5, Shramjivi Society, Dhebar Road South, Rajkot - 360002	U64202GJ2006PTC048132	Subsidiary	28.66	2(87)(ii)
70.	GTPL Insight Channel Network Pvt. Ltd. 3rd Floor, Narmada Complex, Panch Bhatti, Bharuch - 392001	U64204GJ2002PTC041335	Subsidiary	37.23	2(87)(ii)
71.	GTPL Kolkata Cable & Broadband Pariseva Limited 86, Golaghata Road, Ganga Apartment, Block -A, 3rd Floor, Flat No. A, Kolkata - 700048	U64204WB2006PLC109517	Subsidiary	25.56	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
72.	GTPL Dahod Television Network Pvt. Ltd. 36, City Centre, 3rd Floor, C. G. Road, Navrangpura, Ahmedabad - 380009	U64204GJ2010PTC059770	Subsidiary	25.50	2(87)(ii)
73.	GTPL Jay Santoshima Network Pvt. Ltd. C/202, Shahjanand Opp. Swaminarayan Mandir, Sahibaug Ahmedabad Gujarat - 380004	U64204GJ2008PTC054615	Subsidiary	25.50	2(87)(ii)
74.	GTPL Sorath Telelink Pvt. Ltd. C/O Giriraj Distributors, 906/907, Gurukrupa Tower, Nr. Limdachowk, Moti Tanki Chowk, Rajkot - 360001	U64204GJ2008PTC053204	Subsidiary	25.50	2(87)(ii)
75.	Gujarat Telelink East Africa Ltd Plot No. LR 209/976, 2nd Floor, Gillfillan House, Kenyatta Avenue, PO BOX 22840, - 000400 - Nairobi	CR12 C114819	Subsidiary	25.50	2(87)(ii)
76.	GTPL Shiv Network Pvt. Ltd. C/202, Shahjanand Opp. Swaminarayan Mandir, Sahibaug Ahmedabad GJ - 380004 In	U72900GJ2008PTC054620	Subsidiary	25.61	2(87)(ii)
77.	GTPL DCPL Pvt. Ltd. 1st Floor, Shanti Niketan, House No. 1090, Holding No. 552/349, Circle No. 6, Fraser Road, Patna, Bihar - 800001	U64202BR2013PTC020873	Subsidiary	25.50	2(87)(ii)
78.	GTPL Bansidhar Telelink Pvt. Ltd. 36, City Centre, 3rd Floor, C. G. Road, Navrangpura, Ahmedabad - 380009	U64204GJ2010PTC059948	Subsidiary	25.50	2(87)(ii)
79.	GTPL Sharda Cable Network Pvt. Ltd. 36, City Center, 3rd Floor, C G Road, Navrangpura, Ahmedabad - 380009	U64204GJ2011PTC067697	Subsidiary	25.50	2(87)(ii)
80.	GTPL Ahmedabad Cable Network Pvt. Ltd. 36, City Center, 3rd Floor, C G Road, Navrangpura, Ahmedabad - 380009	U64204GJ2010PTC059946	Subsidiary	25.50	2(87)(ii)
81.	DL GTPL Cabnet Pvt. Ltd. 417 to 419, Intercity Complex, Near P.K.S. Petrol Pump, Puna Kumharia Road, Surat, Gujarat - 395010	U64204GJ2009PTC056920	Subsidiary	13.00	2(87)(i)
82.	GTPL V & S Cable Pvt. Ltd. C/O - Jibon Phukan Nagar P.O. C.R. Building, Dibrugarh Dibrugarh Assam - 786003	U64204AS2006PTC008237	Subsidiary	25.50	2(87)(ii)
83.	GTPL Video Vision Pvt. Ltd. C/202, Shahjanand , Opp. Swaminarayan Mandir, Sahibaug Ahmedabad, Gujarat - 380 004, India.	U64204GJ2008PTC054651	Subsidiary	25.50	2(87)(ii)
84.	Vaji Communication Private Limited Door No. 2-30-26, Second Floor, Main Road, Sector - 7, MVP Colony, Vishakhapatnam, Andhra Pradesh - 530017	U74900AP2013PTC088313	Subsidiary	25.50	2(87)(ii)
85.	GTPL KCBPL Broad band Pvt. Ltd. 86, Golaghata Road, Ganga Apartment, Block -A, 3rd Floor, Flat No. 3C, Kolkata - 700048	U64204WB2014PTC204136	Subsidiary	25.56	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary/ associate	% of Shareholding	Applicable section
86.	GTPL Junagadh Network Pvt. Ltd. 36, City Center, 3rd Floor, C G Road, Navrangpura, Ahmedabad - 380009	U64204GJ2009PTC057139	Subsidiary	25.50	2(87)(ii)
87.	GTPL Deesha Cable net Pvt Ltd Flat No. 205, Floor 2nd, Singora City, Middle School Road, Bartand, Dhanbad - 826015	U64204JH2015PTC003177	Subsidiary	25.50	2(87)(ii)
88.	GTPL Kaizen Infonet Pvt. Ltd. 202, Sahajanand Shopping Centre Opp. Swaminarayan Mandir, Shahibaug, Ahmedabad GJ - 380004	U72200GJ2005PTC046140	Subsidiary	50.00	2(87)(ii)
89.	GTPL Meghana Distributors Pvt. Ltd. 4th Floor, H No. 8-2-269/4/B, Road No. 2, Banjara Hills, Hyderabad, Kurnool - 500034	U64204TG2015PTC101756	Subsidiary	50.00	2(87)(ii)
90.	GTPL Abhilash Communication Pvt. Ltd. C/202, Shahjanand, Opp Swaminarayan Mandir, Shahibaug, Ahmedabad - 380004	U64204GJ2008PTC054634	Subsidiary	25.50	2(87)(ii)
91.	GTPL Chelikam Networks (India) Pvt. Ltd. D.No. 16, II Floor, Panchamukhi Complex, Municipal Shopping Complex, Prakasham Road, Tirupati - 517501	U92130AP2012PTC080525	Subsidiary	25.50	2(87)(ii)
92.	Vizianagar Citi Communications P. Ltd. D.No. 17-11-12/A, III Floor, Jeeyar Complex, AG Road, Vizianagaram, Andhra Pradesh - 535216, India	U72400AP2005PTC046012	Subsidiary	25.50	2(87)(ii)
93.	GTPL Jay Mataji Network Pvt. Ltd. 202, 2ndfloor, Sahjanand Shopping Centre, Opp.Swaminarayan Mandir, Shahibaug Ahmedabad Gujarat 380004	U74900GJ2008PTC054376	Subsidiary	25.00	2(87)(ii)
94.	GTPL TV Tiger Pvt. Ltd. 3Rd Floor, Arctic Mall, Bariatu Road, Ranchi Ranchi Jharkhand - 834009	U64200JH2013PTC001817	Subsidiary	25.50	2(87)(ii)
95.	DL GTPL Broadband Pvt. Ltd. D.L. House 417-419, Intercity Complex, Nr. PKS Petrol Pump, Puna Kumbharia Road, Surat, GJ - 395010	U64200GJ2015PTC084694	Subsidiary	13.00	2(87)(ii)

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**I. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):****i. Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	240,966,000	0	240,966,000	29.0148	240,966,000	0	240,966,000	29.0148	0.0000
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	120,095,015	0	120,095,015	14.4607	120,095,015	0	120,095,015	14.4607	0.0000
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):</b>	<b>361,061,015</b>	<b>0</b>	<b>361,061,015</b>	<b>43.4754</b>	<b>361,061,015</b>	<b>0</b>	<b>361,061,015</b>	<b>43.4754</b>	<b>0.0000</b>
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>361,061,015</b>	<b>0</b>	<b>361,061,015</b>	<b>43.4754</b>	<b>361,061,015</b>	<b>0</b>	<b>361,061,015</b>	<b>43.4754</b>	<b>0.0000</b>
<b>B. Public Shareholding</b>									
(1) Institutions									
a) Mutual Funds	49,530,970	0	49,530,970	5.9640	53,697,658	0	53,697,658	6.4657	0.5017
b) Banks / FI	2,461,413	0	2,461,413	0.3580	2,486,122	0	2,486,122	0.2993	0.0027
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	41,942,674	0	41,942,674	5.0503	88,810	0	88,810	0.0107	-5.0396
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
ii) Foreign Portfolio Investor (Corporate)	237,797,234	0	237,797,234	28.6332	266,596,412	0	266,596,412	32.1009	3.4677
<b>Sub-total (B)(1):</b>	<b>331,732,291</b>	<b>0</b>	<b>331,732,291</b>	<b>40.0055</b>	<b>322,869,002</b>	<b>0</b>	<b>322,869,002</b>	<b>38.8798</b>	<b>-1.0675</b>
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	7,336,630	0	7,336,630	0.8834	9,363,280	0	9,363,280	1.1274	0.2440
ii) Overseas	106,439,625	0	106,439,625	12.8164	99,976,265	0	99,976,265	12.0382	-0.7782
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5,778,468	265	5,778,733	0.6958	7,798,962	265	7,799,227	0.9424	0.2433
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,838,741	0	1,838,741	0.2214	11,812,596	0	11,812,596	1.4224	1.2010

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others									
Non Resident Indian	150,77,488	0	150,77,488	1.8155	15,306,604	0	15,306,604	1.8400	0.0276
Clearing Member	531,979	0	531,979	0.0641	1,061,126	0	1,061,126	0.1278	0.0637
Trust	510,750	0	510,750	0.0615	808,750	0	808,750	0.0974	0.0359
Hindu Undivided Family (HUF)	159,933	0	159,933	0.0193	409,320	0	409,320	0.0493	0.0300
Director (Other than Promoter)	27,315	0	27,315	0.0032	27,315	0	27,315	0.0032	0.0000
<b>Sub-total(B)(2):</b>	<b>137,700,929</b>	<b>265</b>	<b>137,701,194</b>	<b>16.5191</b>	<b>146,564,218</b>	<b>265</b>	<b>146,564,483</b>	<b>17.6448</b>	<b>1.1257</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>469,433,220</b>	<b>265</b>	<b>469,433,485</b>	<b>56.5246</b>	<b>469,433,220</b>	<b>265</b>	<b>469,433,485</b>	<b>56.5246</b>	<b>0.0000</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total(A+B+C)</b>	<b>830,494,235</b>	<b>265</b>	<b>830,494,500</b>	<b>100.0000</b>	<b>830,494,235</b>	<b>265</b>	<b>830,494,500</b>	<b>100.0000</b>	<b>0.0000</b>

### ii. SHAREHOLDING OF PROMOTERS:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Akshay Rajan Raheja	12,14,13,000	14.62	0	12,14,13,000	14.62	0	0.00
2	Viren Rajan Raheja	11,95,53,000	14.40	0	11,95,53,000	14.40	0	0.00
3	Hathway Investments Private Limited	8,18,45,015	9.86	0	8,18,45,015	9.86	0	0.00
4	Spur Cable and Datacom Private Limited	3,82,50,000	4.60	0	3,82,50,000	4.60	0	0.00
	<b>Total</b>	<b>36,10,61,015</b>	<b>43.48</b>	<b>0</b>	<b>36,10,61,015</b>	<b>43.48</b>	<b>0</b>	<b>0.00</b>

### iii. CHANGE IN PROMOTERS' SHAREHOLDING:

Since there was no change in Promoters' Shareholding during the financial year 2016-17, the below information is not applicable.

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-16)/end of the year(31-03-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				N.A				

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)		
		No. of Shares at the beginning (01-04-16)/end of the year(31-03-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company	
1.	CLSA Global Markets Pte. Ltd.	3,33,49,680	4.02	01/04/2016					
				27/05/2016	15,50,000	Acquisition	3,48,99,680	4.20	
				16/09/2016	9,972	Acquisition	3,49,09,652	4.20	
				23/09/2016	2,20,035	Acquisition	3,51,29,687	4.23	
				30/09/2016	75,000	Acquisition	3,52,04,687	4.23	
				31/03/2017	4,42,54,237	Acquisition	7,94,58,924	9.56	
		7,94,58,924	9.56	31/03/2017			7,94,58,924	9.56	
2.	P6 Mauritius India Holding Limited	70,717,760	8.52	01/04/2016		No change			
		70,717,760	8.52	31/03/2017			70,717,760	8.52	
3.	P5 Asia Holding Investments (Mauritius) Limited	52,783,220	6.36	01/04/2016		No change			
		52,783,220	6.36	31/03/2017			52,783,220	6.36	
4.	Reliance Capital Trustee Co. Ltd A/c Reliance Equity Opportunities Fund	3,34,68,053	4.03	01/04/2016					
				09/09/2016	4,92,000	Acquisition	3,39,60,053	4.08	
				06/01/2017	2,99,692	Sale	3,36,60,361	4.05	
				13/01/2017	4,974	Sale	3,36,55,387	4.05	
				31/03/2017			3,36,55,387	4.05	
		3,36,55,387	4.05					3,36,55,387	4.05
5.	Smallcap World Fund, Inc.	3,58,76,000	4.32	01/04/2016					
				03/02/2017	2,72,851	Sale	3,56,03,149	4.28	
				10/02/2017	17,20,685	Sale	3,38,82,464	4.07	
				17/02/2017	20,54,782	Sale	3,18,27,682	3.83	
				24/02/2017	10,426	Sale	3,18,17,256	3.83	
				10/03/2017	25,41,256	Sale	2,92,76,000	3.52	
		2,92,76,000	3.52	31/03/2017			2,92,76,000	3.52	
6.	Infrastructure India Holdings Fund LLC	2,78,43,045	3.35	01/04/2016		No change			
		2,78,43,045	3.35	31/03/2017			2,78,43,045	3.35	
7.	Morgan Stanley Asia (Singapore) PTE.	1,88,29,558	2.27	01/04/2016					
				08/04/2016	9,10,888	Acquisition	1,97,40,446	2.37	
				15/04/2016	2,17,938	Acquisition	1,99,58,384	2.40	
				22/04/2016	13,27,730	Acquisition	2,12,86,114	2.56	
				29/04/2016	6,33,884	Acquisition	2,19,19,998	2.64	
				06/05/2016	12,03,970	Acquisition	2,31,23,968	2.78	
				13/05/2016	2,16,478	Acquisition	2,33,40,446	2.81	
				20/05/2016	2,50,000	Acquisition	2,35,90,446	2.84	
				27/05/2016	3,74,009	Acquisition	2,39,64,455	2.88	
				03/06/2016	1,31,772	Acquisition	2,40,96,227	2.90	
				10/06/2016	5,63,419	Acquisition	2,46,59,646	2.97	
				17/06/2016	1,92,581	Acquisition	2,48,52,227	2.99	
				22/07/2016	4,20,000	Acquisition	2,53,16,227	3.04	
		2,53,16,227	3.04	31/03/2017			2,53,16,227	3.04	
8.	East Bridge Capital Master Fund Limited	2,24,67,400	2.71	01/04/2016					
				07/10/2016	3,04,813	Acquisition	2,27,72,213	2.74	
		2,27,72,213	2.74	31/03/2017			2,27,72,213	2.74	
9.	P6 Asia Holding Investments IV (Mauritius) Limited	1,93,50,000	2.33	01/04/2016		No change			
		1,93,50,000	2.33	31/03/2017			1,93,50,000	2.33	
10.	American Funds Insurance Series Global Small Capitalization Fund	1,17,50,000	1.41	01/04/2016		No change			
		1,17,50,000	1.41	31/03/2017			1,17,50,000	1.41	

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-16)/end of the year(31-03-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company
11.	Macquarie Bank Limited	2,54,48,913	3.06	01/04/2016				
				31/03/2017	2,54,48,913	Sale		0.00
			0.00	31/03/2017				0.00
12.	Goldman Sachs (Singapore) PTE.	1,83,64,533	2.21	01/04/2016				
				24/06/2016	1,86,700	Acquisition	1,85,51,233	2.23
				30/06/2016	48,435	Acquisition	1,85,99,668	2.23
				05/08/2016	4,724	Acquisition	1,86,04,392	2.24
				17/02/2017	7,285	Acquisition	1,86,11,677	2.24
				24/02/2017	76,552	Acquisition	1,86,88,229	2.25
				10/03/2017	1,17,095	Acquisition	1,88,05,324	2.26
				31/03/2017	1,88,05,324	Sale		0.00
			0.00	31/03/2017				0.00

Note: The aforesaid details include top 10 shareholders as on 31.03.2016 and 31.03.2017 and changes therein.  
Date of acquisition/sale of shares is the date of Benpos

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

Sl. No	Name	Shareholding		Date	Increase/ Decrease	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-16) / end of the year (31-03-17)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Mr. Rajan Raheja Non-Executive Director	0	0.00	01/04/2016	0	-	0	0.00
		0	0.00	31/03/2017	0	-	0	0.00
2	Mr. Akshay Raheja Non-Executive Director	12,14,13,000	14.62	01/04/2016	0	No change during the year	0	0.00
		12,14,13,000	14.62	31/03/2017	0		12,14,13,000	14.62
3	Mr. Viren Raheja Non-Executive Director	11,95,53,000	14.40	01/04/2016	0	No change during the year	0	0.00
		11,95,53,000	14.40	31/03/2017	0		11,95,53,000	14.40
4	Mr. Rajan Gupta* Managing Director	0	0.00	25/11/2016	0	-	0	0.00
		0	0.00	31/03/2017	0	-	0	0.00
5	Mr. Sridhar Gorthi Chairman & Non-Executive Independent Director	0	0.00	01/04/2016	0	-	0	0.00
		0	0.00	31/03/2017	0	-	0	0.00
6	Mr. Vinayak Aggarwal Non-Executive Director	0	0.00	01/04/2016	0	-	0	0.00
		0	0.00	31/03/2017	0	-	0	0.00
7	Mr. Sasha Mirchandani Non-Executive Independent Director	0	0.00	01/04/2016	0	-	0	0.00
		0	0.00	31/03/2017	0	-	0	0.00
8	Mr. Devendra Shrotri Non-Executive Independent Director	0	0.00	01/04/2016	0	-	0	0.00
		0	0.00	31/03/2017	0	-	0	0.00
9	Ms. Ameeta Parpia Non-Executive Independent Director	27,315	0.00	01/04/2016	0	No change during the year	0	0.00
		27,315	0.00	31/03/2017	0		27,315	0.00
10	Mr. Jagdishkumar G. Pillai** Managing Director and CEO	0	0.00	01/04/2016	0	-	0	0.00
		0	0.00	25/11/2016	0	-	0	0.00

\*Appointed as Managing Director of the Company w.e.f 25th November, 2016.

\*\*Resigned as Managing Director and CEO w.e.f 25th November, 2016

**II. INDEBTEDNESS:**

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11,484,947,160	4,351,138,411	0	15,836,085,570
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	62,162,811	30,781,570	0	92,944,381
<b>Total (i+ii+iii)</b>	<b>11,547,109,971</b>	<b>4,381,919,980</b>	<b>0</b>	<b>15,929,029,951</b>
Change in Indebtedness during the financial year				
· Addition	6,712,582,307	0	0	6,712,582,307
· Reduction	3,251,781,562	2,315,807,612	0	5,567,589,174
· Transfer to HDPL* on Account of Sale of Cable TV Business to HDPL	6,626,030,721	1,937,915,453	0	8,563,946,174
· IND AS Adjustment	48,232,898	0	0	48,232,898
Net Change	(3,213,462,873)	(4,253,723,064)	0	(7,467,185,938)
Indebtedness at the end of the financial year				
i) Principal Amount	8,271,484,286	97,415,346	0	8,368,899,632
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	31,488,013	638,812	0	32,126,825
<b>Total (i+ii+iii)</b>	<b>8,302,972,299</b>	<b>98,054,159</b>	<b>0</b>	<b>8,401,026,457</b>

\* Hathway Digital Private Limited

**III. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Managing Director and Chief Executive Officer*	Name of Managing Director**	Total Amount
		<b>Mr. Jagdishkumar G. Pillai</b>	<b>Mr. Rajan Gupta</b>	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,612,494	7,052,569	20,665,063
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify- Incentive	2,000,000	0	2,000,000
5	Others, please specify-Provident Fund	507,600	236,880	744,480
	Total (A)	16,120,094	7,289,449	23,409,543
	Ceiling as per the Act		13,317,590	

\*Resigned as Managing Director and CEO w.e.f 25th November, 2016

\*\*Appointed as Managing Director w.e.f 25th November, 2016.

**B. REMUNERATION TO OTHER DIRECTORS:**

None of the other Directors receive remuneration except sitting fees.

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

(in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Ajay Singh Company Secretary	Mr. Vineet Garg CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,801,333	8,210,400	13,011,733
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify-Incentive	1,000,000	960,000	1,960,000
5	Others, please Specify: Provident Fund Exempt from tax (Incl. PF)	192,000	273,600	465,600
	<b>Total</b>	<b>5,993,333</b>	<b>9,444,000</b>	<b>15,437,333</b>

\*Details with respect to Chief Executive Officer has already been provided in Table A.

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

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

**For and on behalf of the Board**

**Rajan Gupta**  
Managing Director  
DIN 07603128

**Vinayak Aggarwal**  
Director  
DIN 00007280

Date: 30/05/2017  
Place: Mumbai

**Registered Office**

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

**ANNEXURE VI****DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014****(A) CONSERVATION OF ENERGY:**

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

**(B) CONSERVATION OF ENERGY:**

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

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

	(₹ In Crores)	
	April 01, 2016 to March 31, 2017 [Current F.Y.]	April 01, 2015 to March 31, 2016 [Previous F.Y.]
Actual Foreign Exchange earnings	1.60	1.63
Actual Foreign Exchange outgo	311.26	403.13

**For and on behalf of the Board****Rajan Gupta**

Managing Director  
DIN 00760128

**Vinayak Aggarwal**

Director  
DIN 00007280

Place: Mumbai

Date: 30th May, 2017

**Registered Office**

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

CIN: L64204MH1959PLC011421

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

Mail: info@hathway.net website: www.hathway.com

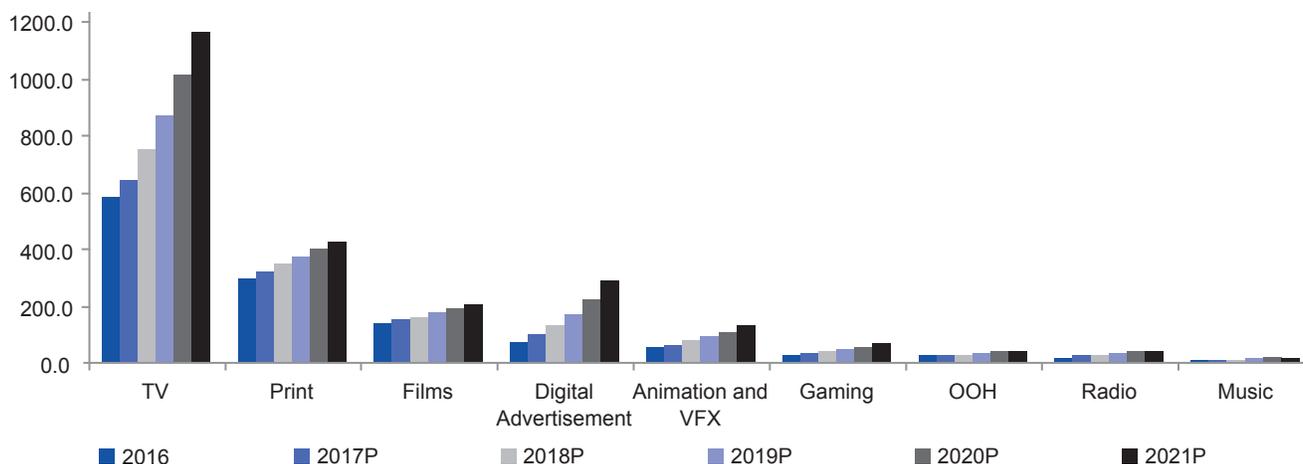


# MANAGEMENT DISCUSSION AND ANALYSIS

## INDIAN MEDIA AND ENTERTAINMENT INDUSTRY

The Indian Media and Entertainment (“M&E”) industry, which comprises of television, film, radio, print, music, the internet, animation, gaming, outdoor media and digital advertising, has been one of the fastest growing industries in India over the last few years. 2016 was a year in which the M&E industry future has unfolded in many ways. According to Industry reports, Indian M&E Industry is expected to grow at a CAGR of 13.9% by 2021, wherein Television is expected to grow at a CAGR of 14.7%, while Digital advertising is expected to continue to grow at a CAGR of 30.8%.

Realignment of relationship between media distribution chain and sunshine digitisation of Phase III and IV has resulted in subscription revenue growth, it is just the start of the result of digitisation which would increase going forward. With high definition content channels constantly increasing in recent past, special focus from broadcasters on regional HD content is observed in last 12-15 months. In addition, media is also being consumed online and the number of subscribers is increasing in a rapid pace. Over the years, Internet has almost become a mainstream media for entertainment for affluent section of the society and the young generation. Considering Hathway’s unique presence in services across both cable television and broadband internet, your company is well positioned to benefit from the robust growth of the M&E Industry.

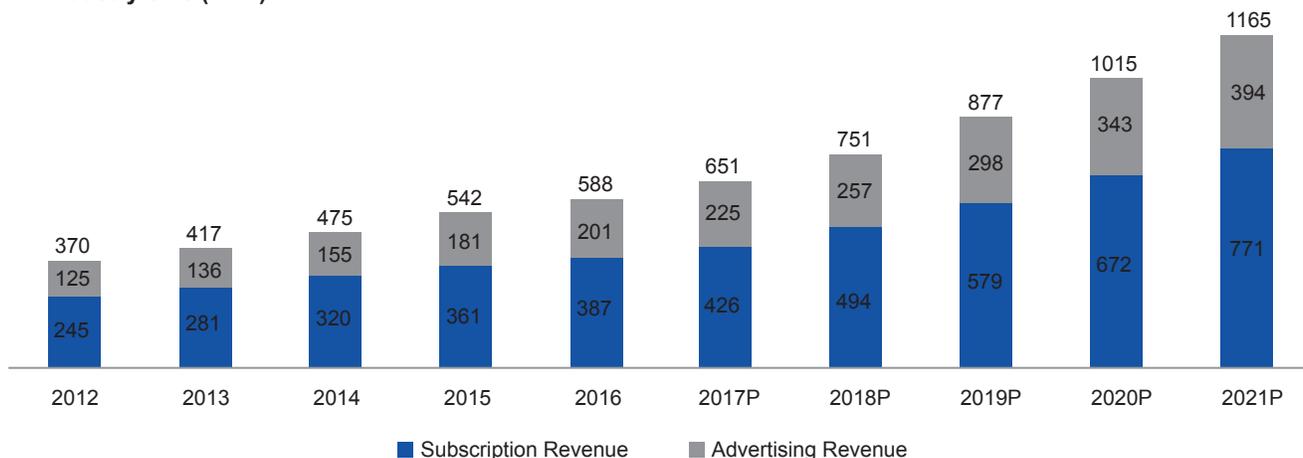


(Sources: KPMG in India analysis, 2016)

### INDIA'S TELEVISION INDUSTRY

According to the KPMG India – FICCI Indian Media and Entertainment Industry Report, 2017, the Television industry in India stands at an estimated size of ₹ 588 Bn in 2016, a growth of 8.5% over 2015, and is envisaged to register a CAGR of 14.7% to reach ₹ 1,165 Bn by 2021 as per Industry Reports. The advertising revenue is expected to grow at a healthy CAGR of 14.4%, and subscription revenues are expected to register a slightly higher CAGR of 14.8%, driven by the intended benefits of digitisation flowing in post 2017. The long-term forecast for the television segment remains robust due to strong economic fundamentals and rising domestic consumption coupled with the delayed, but inevitable, completion of digitisation.

### TV Industry Size (₹ Bn)

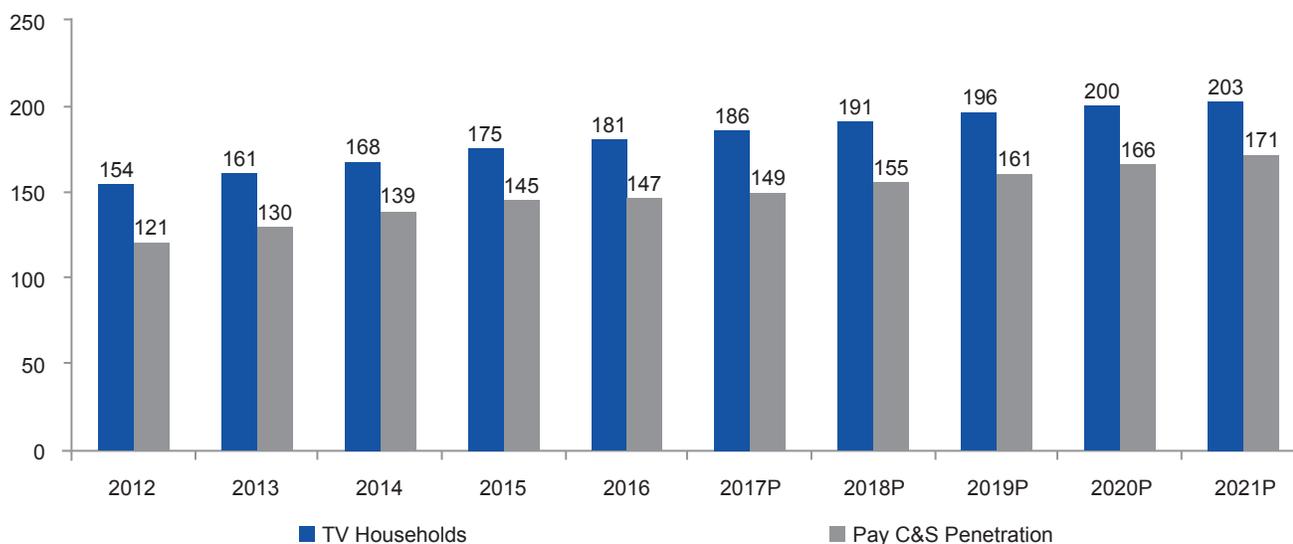


(Sources: KPMG in India analysis, 2016)

Subscription revenues are estimated to grow at a CAGR of 14.7% between 2015-2020 which is expected to be driven by growth in subscriber base in phase-III and IV of digitisation, subscription revenue collected on the ground due to channel packaging, increasing HD penetration and revenue share of cable television operators in the subscription pie.

### INDIA DIGITAL CABLE TV INDUSTRY

According to the KPMG India – FICCI Indian Media and Entertainment Industry Report, 2017, the TV penetration in India has increased to 181 Mn in 2016 from 175 Mn in 2015. It is estimated that the demonetisation drive in the country resulted in a short term blip, slowing down acquisitions by about a million subscribers. It is also estimated that in the long run, demonetisation is not likely to have any impact on long term macro-economic indicators and accordingly, TV households are estimated to reach 203 Mn by 2021, which will translate into a total TV penetration of 84%.



(Sources: KPMG in India analysis, 2016)

## DIGITISATION

Television remains one of the most important mediums of entertainment in India. The process of digitising this medium began with Phase I in 2012 and has progressed slowly, with persistent challenges. By the end of FY2017, the Digital Cable or DAS (Digital Addressable Systems) status of the country had progressed considerably. According to a report by Minister of State for Information & Broadcasting, Rajyavardhan Rathore, presented in the Rajya Sabha, all homes in Phases I & II had been digitised, except in Tamil Nadu, for which MIB has set a deadline of August 2017 for digitisation.

Elaborating further with the detailed status of Set Top Boxes (STBs) seeded in the compulsory digitisation process, 8.5 Mn cable STBs had been installed in Phase I cities while in the second phase, 21.5 Mn STBs had been seeded. Hence, a total of 30 Mn STBs had been seeded in Phases I & II. In Phase III and IV, 64.4 Mn of the total of 96.5 Mn TV homes (excluding Tamil Nadu) had taken STBs. Despite this progress, 50 Mn TV homes are still to adopt the STBs as on mid-March 2017. (Source: KPMG India – FICCI Indian Media and Entertainment Industry Report, 2017)

### Status of Digitisation as on December 2016

	Regulatory Sunset Date	No. of C&S Subs (Mn)	Non-Digitised Base (Mn)	Digitisation per cent
Phase I	Jun-12	14.0	0.2	100% excluding Chennai
Phase II	Mar-13	28.0	0.3	100% excluding parts of Tamil Nadu
Phase III	Jan-17	44.0	5.0	~90%
Phase IV	Mar-17	83.0	42.0	~50%
<b>Total</b>		<b>169.0</b>	<b>47.5</b>	<b>~70%</b>

(Sources: KPMG in India analysis, 2016)

Your company is one of the pioneers to provide STB's ahead of digitisation to the Indian consumer, giving them access to premium quality and niche entertainment content, thereby enhancing the viewing experience. Your company today is one of India's largest cable TV distribution company serving over 13.3 Mn homes in over 525 cities. The company has been a frontrunner in the digitisation of Indian cable television and has over 94% digital subscribers, with over 12.5 Mn STBs installed.

## DIGITAL CABLE ARPUs

Digitisation was intended to bring in significant long term benefits for the entire TV value chain in terms of addressability at the LCO level, choice to the consumer, plugging the leakage of revenues which would ultimately result in an ARPU increase across the value chain and also higher taxes for the government and increased transparency across industry stakeholders.

Customer ARPU (₹)	2015	2016	2017P	2018P	2019P	2020P	2021P
Digital Cable	214	217	224	251	286	326	368
% growth		1%	4%	12%	14%	14%	13%

(Source: KPMG in India analysis, 2016)

The customer ARPU for digital cable TV services are expected to grow at a CAGR of 18% during the period 2017-2021. The net ARPUs for MSOs stood at ₹ 95-105 for Phase I, ₹ 80-90 for Phase II and ₹ 35-40 for Phase III and IV, implying a marginal growth from 2015. Stakeholders have also pointed out that in spite of STB deployment in Phase III and IV, the realisations per subscriber are still based on old analog rates, as on ground digital collections have not yet materialised. Further, implementation of subscriber based management systems at the MSO end is not widespread, leading to challenges around broadcasters ascertaining their share of the subscriber revenues.

Your company’s leading presence and experience has led to better than industry ARPUs. Consolidated cable subscription revenue during the year stood at ₹ 472.8 Crores versus ₹ 380.4 Crores in the previous year, reflecting an improvement of over 24% YoY. The technology, innovation and transparency with channel partners has led your company in ARPU leadership position.

**INDIAN BROADBAND INDUSTRY**

In India, the access to broadband is essential in growth of the economy. Development of broadband infrastructure has become a priority for the Government and the industry. India is a strong contender among knowledge-based economies, has embarked on a transformational journey to increase its broadband connectivity and reach. To create an equitable society, the citizens are required to have universal access to information and knowledge. Increasing broadband penetration is expected:

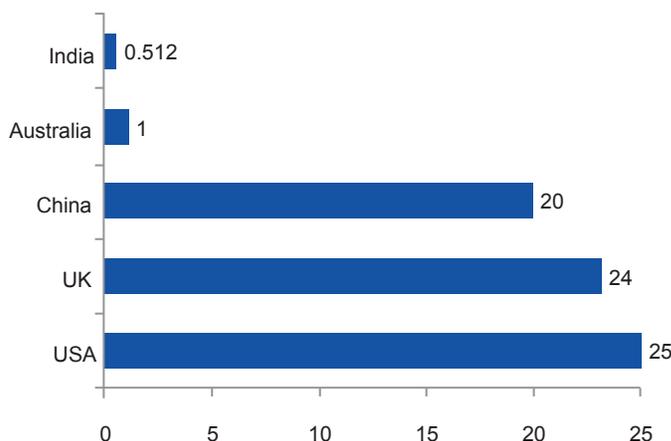
- a) To help accelerate social inclusion
- b) Drive its leadership as a knowledge-based economy
- c) Foster entrepreneurship
- d) Increase jobs and
- e) Reduce the parallel economy through increased transparency and governance.

The inclusive growth agenda of the Government of India can only be successfully realised by addressing the growth and development issues in rural India, as 67% of India’s population resides in villages. Significant efforts need to be made in order to reduce the digital divide in India, so as to unleash the power of the 67% rural population as well as strengthen the productivity of India’s urban population. Rise in broadband penetration to 60% in India is expected to translate into a 5-6%

increase in the country’s GDP to the tune of USD 135 Bn. Additionally, it will help to achieve the goals set as part of the Government’s strategic programs such as Digital India, Skill India, e-Governance, etc. High speed internet plays a pivotal role in enabling these programs. Government policies have set ambitious targets for penetration and speeds. India’s “National Telecom Policy” targets to achieve 600 Mn Broadband connections in India by 2020, from the current around 276 Mn, with aspirational speeds of 100 Mbps on Demand.

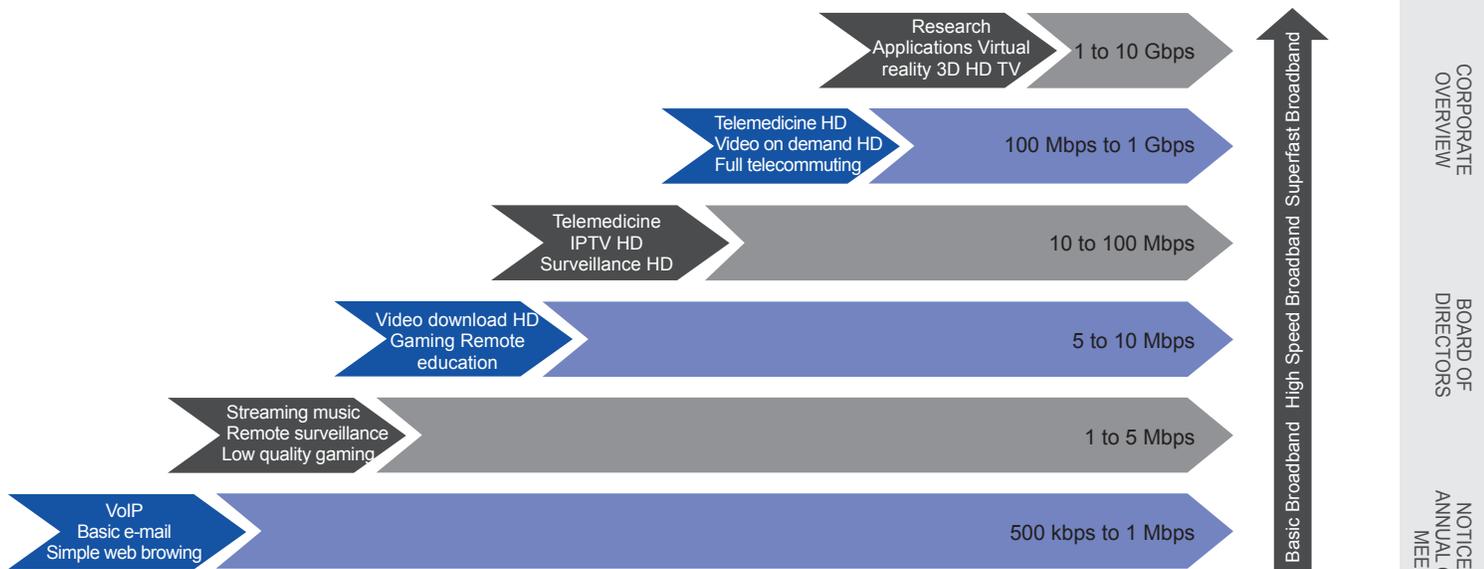
As per TRAI report – ‘The Indian Telecom Services Performance Indicators’, March 2017, in India 33 individuals per 100 inhabitants use internet, which is significantly lower than the Asia Pacific average of 42 individuals per 100 inhabitants, giving a high opportunity for growth. In low and middle-income countries the impact on GDP per capita due to a 10% rise in Broadband Penetration is 1.4%.

Developed countries, have defined broadband as a minimum of over 20 Mbps speed in their National Broadband plans & strategies, vis-a-vis in India this broadband definition lies significantly lower at 0.512 Mbps, again providing a significant opportunity for improvement.



Note: Broadband definition in Mbps  
Source: National Broadband Plans of Countries; Deloitte Research

In order to transform the whole ecosystem of public services through the use of information technology, the Government of India has launched the Digital India programme with the vision to transform India into a digitally empowered society and knowledge economy.



**IMPACT OF DIGITAL INDIA**

The impact of Digital India will be a broadband network spread across 2.5 lakh villages in India with universal phone connectivity by 2019. Digital India has a vision of creating 0.4 Mn Public Internet Access Points across the country, to create Wi-Fi access points across 2.5 lakh schools and major universities across India and to create Public Wi-Fi hotspots all over the country. Digital India has a vision to create at least 170 Mn direct jobs and 85 Mn indirect jobs in the marketplace and will also train 17 Mn Indians in the field of IT, Telecom and Electronics. It is envisioned that India is set to be a leader in IT use in services like health, education and banking by 2019 on implementation of this program. The overall cost of Digital India is estimated to be ₹ 1 lakh crores.

The cable broadband sector in India remains nascent with limited investments made in network rollout and upgrades, aside from a few national MSO players.

As per the reports from TRAI, the number of broadband subscribers increased from 149.75 Mn at the end of March 2016 to 276.52 million at the end of March 2017 with a growth rate of 85%. Segment-wise broadband subscribers and their growth rates are as below:

	Wired subscribers (in Mn)		Wireless subscribers (in Mn)						Total Subscribers	
			Fixed Wireless (Wi-fi, Wi-Max, Radio & VSAT)		Mobile Wireless (Phone + Dongle)		Total Wireless			
	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17
Broadband segment	16.98	18.24	0.53	0.56	132.24	257.71	132.77	258.27	149.75	276.52
Narrowband segment	3.46	3.33	0.03	0.02	189.41	142.32	189.44	142.34	192.90	145.67
Total	20.44	21.57	0.55	0.58	321.65	400.03	322.20	400.62	342.64	422.19

Source: TRAI Report, March 2017, March 2016.

During the year under review, there was a gradual shift of subscribers from wired narrowband segment to wired broadband segment which is evident from the fact that 1.26 Mn subscribers were added in the wired broadband space and reduction of 0.13 Mn in the wired narrowband subscribers. Out of the total additions, your company has added 0.19 million subscribers with speeds greater than 50 Mbps on a standalone basis, contributing 15% of the net additions. On a consolidated basis, the company has added 0.27 million subscribers translating to around 21% of the net additions.

**OVER THE TOP (OTT) VIDEO SERVICES**

India's OTT video market is nascent, generating approximately USD 150 Mn in revenue in 2016. Rapid growth in digital infrastructure positions the sector for growth, anchored to rising smartphone penetration, increasing number of broadband subscribers and faster internet speeds. The smartphone growth in India has ensured that internet consumption via mobile data constitutes 15 percent of all internet consumption in 2016, projected to rise to 30 percent by 2021 (VNI Mobile Forecast Highlights, 2016-2021). Urban

consumers have been early adopters of video, especially in the age group 15-34 which constitute 70-75 percent of the total internet base.

Online video market dynamics favour advertising over subscription revenue for the foreseeable future. Growing consumption has seen advertiser interest rising steadily, with the digital advertising market having grown to ₹ 76.9 Bn in 2016 and envisaged to increase to ₹ 294.5 Bn by 2021 (KPMG in India analysis, 2016-2017). Online video platforms enjoy significant operational autonomy and have started to attract strategic and financial capital. Numerous new players with deep pockets, both domestic and global, entered the market in 2015 and 2016.

Platform	Active Subscribers (Mn)	Original content budget
Hotstar TV	63.0	< ₹ 4 Bn
Voot TV	13.2	< ₹ 4 Bn
Amazon Video	9.5	₹ 5 Bn
Sony LIV	4.6	< ₹ 4 Bn
Netflix	4.2	NA

(Source: KPMG India-FICCI, 2017)

While the competition for data services has intensified especially from wireless operators who offer the advantage of mobility, high speed service still remains the unique selling proposition for Hathway’s Broadband services. Your company has identified and initiated steps for improving network uptime, expanding to new locations, increase penetration in existing locations and improve customer service delivery infrastructure so as to increase the subscriber base. Your Company also intends to improve network penetration by cross selling our broadband services to the existing cable television customers and attracting new customers through competitive pricing, better customer support service. Hathway has successfully implemented DOCSIS 3.0 / 3.1 and GPON Fibre to the Home (FTTH) Technology and is currently offering data service upto a speed of 200 Mbps which can be increased upto 1 Gbps. Your Company has also identified new markets as a part of expanding the Data operation and have planned out to expand further in the coming financial year. Your company is also using OFC architecture, which can easily be converted or upgraded to provide FTTH service at very nominal incremental capital expenditure. With the implementation of new technology, high speed data service and aggressive marketing strategy, the Company will manage to increase its subscriber base. Your company is well equipped with its upgraded Network Operating Center (NOC) with inbuilt redundancy of key elements in the system to support and sustain the higher level of customer base and service.

**COMPANY OVERVIEW**

Hathway Cable & Datacom Limited, being one of India’s largest MSO with 8 main head ends and a network of approximately 32,000 Kms of optical fibre and coaxial cable, providing cable

services to India’s 525+ cities and adjoining areas, reaching out to over 13 million viewers with its associates.

Your company deploys state-of-the-art technology for delivering multiple TV signals to enhance consumer viewing experience. The product range includes Digital & Analogue Cable Television, broadband and local Television Channels. Your company is providing TV services in digital mode, armed with technical capability in a completely secured environment and offer features like Video on Demand, Electronic Programming Guide (EPG), etc.

**SEGMENT-WISE OPERATIONAL REVIEW**

**Cable Television**

- 1) Hathway’s Cable TV business has seen a 10% increase in Phase-II ARPU and monetisation picking up in Phase-III, as Phase-III ARPUs reached ₹ 50 (excluding taxes). In DAS-III and IV markets, your company has seeded close to 2 Mn STBs during the year under review. By the year end, Hathway Connect implementation in DAS-III areas was in full swing.
- 2) To bring in transparency in its engagement with broadcasters for carriage and placements, rate card was implemented. This rate card gives flexibility and choice to the broadcaster to choose their target markets and pay accordingly at rates which are uniform and transparent. This initiative was widely welcomed by all broadcasters, both big and single-channel, alike.
- 3) New regulation/Tariff order - During the year, the regulator TRAI, has notified a new set of regulations which will govern the industry. The regulation envisages sweeping changes in the existing model and is expected to benefit all the stakeholders in the value chain (viz) Broadcaster, MSO, LCO and Customer. The new regulation is the outcome of several issues arising out of flaws and imbalances in the erstwhile regulatory regime which was skewed in favour of the broadcaster and LCO.
- 4) Value Added Services - The Company in its pursuit of enhancing customer delight, launched a slew of 8 unique advertisement-free services spanning across several niche genres of content, branded as “Hathway Special”, with the promise of “Zyada ka Wada”. It was a first of its kind initiative in Cable and elevated the positioning of your Company on par with leading DTH service providers in the country.
- 5) Your Company launched 5 new in-house channels, including a dedicated barker channel called “My Hathway” to promote various offering – HD, PVR, tiered packaging, VAS, in-house channels and also undertook a brand refresh of all the in-house channels by changing the packaging elements to bring them on par with satellite channels.

- 6) IT & Other initiatives - The Company encouraged its customers to “Go Cashless” by introducing several online payment options including tie up with digital wallet platforms in line with the PM’s flagship “Digital India” campaign. The online payment contribution has increased from 7% of total collections in Q1FY17 to 26% in Q4FY17. The Company is focusing constantly on utilization of technology to automate its processes and achieve cost optimization.

#### Broadband

- 1) Leveraging its strong and extensive presence in the cable TV market became the foundation for Hathway’s internet initiatives. Post the launch of its DOCSIS 3.0 internet service in October 2013, company has upgraded almost all of its subscriber base to this service, which offers speeds of 50 Mbps at competitive price points. This, along with better collections, has resulted in better subscriber retention and higher ARPUs.
- 2) By March 2017, Hathway had 0.89 Mn broadband subscribers as compared to 0.63 Mn subscribers by March 2016, marking a 41% increase. By the end of March 2017, its networks passed approximately 5.4 Mn homes.
- 3) Further impelling the growth strategy was the technical infrastructural upgradation which was completed during the year, and which has prepared our network for 4X increase in speed and 20X increase in data capacity, to offer better value for money and further enhance customer delight.
- 4) Your company has commercially rolled out GPON Fibre to the Home in new markets viz. Kolkata, Indore and Chennai, which will enable to cater to customer needs by offering speeds upto 1 Gbps. Subsequent investments will be made in this state of the art technology enabling customer delight and operational excellence.
- 5) A new self care app – ‘Hathway Broadband’ has been launched during the financial year which will provide customers access to their data usage pattern, billing cycle, etc by integrating it to the Oracle billing and revenue management system (OBRM).

\* Financials for FY 2017 and FY 2016 have been prepared in compliance with applicable provisions of Indian Accounting Standards (“IND AS”) notified u/s 133 of the Companies Act, 2013 read with relevant rules issued thereunder. Please refer Notes to Consolidated Financial Statements - 4.23 (Note 12 : Subsidiaries consolidated under previous GAAP classified as Joint Venture under IND AS).

#### FINANCIAL REVIEW

	(₹ In Crores)		
	FY17	FY16	Growth
<b>Standalone</b>			
Total Income	1,330.5	1,120.9	19%
EBITDA	260.4	192.0	36%
EBITDA Margin	20%	17%	
Net Loss	153.8	191.1	-20%
<b>Consolidated*</b>			
Total Income	1,368.2	1,155.0	18%
EBITDA	221.1	139.1	59%
EBITDA Margin	16%	12%	
Net Loss	192.7	240.5	-20%

Standalone Operating Revenue was at ₹ 1,307.4 crores was up by 18.5% year-on-year. Subscription income was at ₹ 451.3 crores, up 17.5% year on year. Broadband income was at ₹ 480.3 crores, up 56.7% year-on-year on the back of highest ever customer acquisitions in a particular year at 0.19 Mn. The steady growth was driven primarily by subscription, broadband and other operating revenues. Broadband revenues grew strongly and now accounts for 36% of the Net Operating Revenue, in line with our endeavor to diversify our revenue streams.

Expenses of the Company for digitisation in Phase III and Phase IV started accruing from Q4FY16 whereas the monetisation of the assets begun only in FY17. Pay Channel cost during the year was at ₹ 418.5 crores, an increase of 13.3%. Other operational expenses grew by 23.5% to ₹ 258.7 crores. The gap between revenue and costs were bridged substantially by finalising the deals with major broadcasters, optimum utilisation of available resources and efficient allocation of human capital.

Total EBITDA was up 35.6% year-on-year driven primarily by growth in Subscription and Broadband income.

#### OTHER KEY DEVELOPMENTS

The Company decided to spin off the Cable TV business of the Company into the Company’s wholly owned subsidiary – Hathway Digital Private Limited (HDPL) and also 5 subsidiaries of the Company will merge with HDPL. Rationale for restructuring is to enable focused attention to each line of business and also to facilitate benchmarking its performance with established domestic/global peers to bring about increased competitiveness.

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>Integrated service and product portfolio covering cable, data (broadband) and shopping (TV Commerce).</li> </ul> <p><b>Broadband:</b></p> <ul style="list-style-type: none"> <li>Out of the total cable broadband subscribers, the Company has a market share of 52%.</li> <li>Partnering with various content providers, education portals and other lifestyle improvement players.</li> </ul> <p><b>Cable:</b></p> <ul style="list-style-type: none"> <li>Offers its cable television services across 525+ cities and towns, operating in geographical regions which constitute important markets for advertisers and broadcasters.</li> <li>One of the early proponents and adopters of digitisation and one of its early beneficiaries.</li> <li>Centralized CAS provides feed from 8 main head-ends across the country.</li> </ul>	<p><b>Challenges</b></p> <p><b>Broadband:</b></p> <ul style="list-style-type: none"> <li>Renewal cycle and enhancing Service Level for customer acquisition and retention.</li> <li>Continuously upgrading network and infrastructure.</li> </ul> <p><b>Cable:</b></p> <ul style="list-style-type: none"> <li>Scattered subscriber base, low paying capacity and poor infrastructure in Phase III and IV markets adversely impacting the cost of operations.</li> <li>Large number of subsidiaries to manage.</li> </ul>
<p><b>Opportunities</b></p> <p><b>Broadband:</b></p> <ul style="list-style-type: none"> <li>Untapped fixed broadband market in India to provide high speed connectivity.</li> </ul> <p><b>Cable:</b></p> <ul style="list-style-type: none"> <li>With 94% digitisation complete, packaging and monetisation will lead to ARPU growth.</li> <li>HD would continue to be the big opportunity by way of new channel launches and greater regional content.</li> </ul>	<p><b>Threats</b></p> <p><b>Broadband:</b></p> <ul style="list-style-type: none"> <li>Low end users may move to wireless service providers due to competitive pricing.</li> </ul> <p><b>Cable:</b></p> <ul style="list-style-type: none"> <li>Delay in Implementation of Phase IV.</li> <li>DTH companies, Free Dish to offer stiff competition in Phase III and IV Markets (Being a trusted brand and one of the largest MSOs in the country, Hathway will always enjoy the 'first mover' advantage.)</li> </ul>

**RISKS AND CONCERNS**

<p><b>Changes in Policies</b></p> <p><b>Consequence:</b> Although the government is committed to the digitalisation drive and has not defaulted on its policies in this area so far, changes in policy could disrupt plans and vitiate investments undertaken.</p> <p><b>Risk Mitigation Strategy:</b> The Company's presence across the country, in different metros and towns, minimizes its exposure to policies pertaining to any specific region. The company is also present in two diverse business segments – Cable TV and Broadband. This provides another level of hedging.</p>	<p><b>Competition</b></p> <p><b>Consequence:</b> In both the business verticals which Hathway is present, providers of similar services do exist. As in any industry, a pick-up in competition could mean lower revenues and market shares.</p> <p><b>Risk Mitigation Strategy:</b> Hathway is one of the largest MSO providers in the country with a pan-India presence and is well placed to protect and grow its market share. At the same time, with the packages it offers, branding it has undertaken and the support and cooperation of its LCOs, any competitive threat in the Cable TV segment is rendered ineffective.</p>
<p><b>Product / Technology Risk</b></p> <p><b>Consequence:</b> The traditional cable customer preferences are changing and they are moving towards getting content in a non-linear manner. Inability to meet the customer's demand might lead to loss in business. Also Rapid advancements in technology leading to obsolescence of existing assets.</p> <p><b>Risk Mitigation Strategy:</b> Your company is well placed to serve the arising needs of the customers by leveraging on customer relationship and offering OTT &amp; broadband services to existing customers having committed substantial investments towards rollout of broadband services.</p> <p>The shift to MPEG-4 STBs in cable and provision of providing broadband through DOCSIS 3.1 /GPON network is testament to the fact that we are sensitive to the rapidly changing technology trends and are cognisant to take counter measures.</p>	<p><b>Awareness Risk</b></p> <p><b>Consequence:</b> LCOs function as primary facilitators of our business expansion. Therefore, delay in updating/on boarding them on latest initiatives undertaken by the company would negate the first mover advantage.</p> <p><b>Risk Mitigation Strategy:</b> Your company has launched Hathway Connect portal for LCOs by imparting real-time training to help them manage their customers. Besides, there is regular collaboration with LCOs for our branding initiatives. A separate outreach initiative has been undertaken for our broadband services to ensure brand recall and educate the customers about the kind of services being offered.</p>

**DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

Your company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. Your company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. Your company uses an enterprise resource planning (ERP) system to record data for accounting and management information purposes and connects to different locations for efficient exchange of information. Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, process and operating level standard operating procedures. It has continued its efforts to align all its processes and controls with global best practices.

The entity level policies include code of conduct, whistle blower policy and other policies (like organization structure, insider trading policy, HR policy, Electronic Communication policy and Forex policy). The company has also prepared Risk Control Matrix (RCM) for each of its processes like procure to pay, order to cash, treasury, fixed assets, inventory etc.

The Management Audit Team (MAT) had conducted a review and evaluated the design, adequacy and operating effectiveness

of the Internal Financial Controls of the Company. Management testing has been conducted on a sample basis for Revenue ISP, Revenue Cable TV, Expenses & payables, Fixed Assets, Inventory, Procure to pay processes, Borrowings, Investments, Leases, Forex Exposure and Hedging, Compliances, Related Party, Consolidation, Retirement Benefit, Finalisation, Loans & Advances, Contingent Liability and remedial action has been taken or agreed upon with a finite closure date where control weaknesses were identified. A summary of operating controls covered during the year are as follows:

Sr. No.	Particulars	No.
1.	Total controls	1066
2.	Controls verified	1006
3.	% of coverage	94%

During the year, no reportable material weakness in design and effectiveness was observed.

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

**CAUTIONARY STATEMENT**

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

# REPORT ON CORPORATE GOVERNANCE

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

## 2. BOARD OF DIRECTORS

### a) Composition of the Board of Directors:

As per the provisions of Regulation 17 of SEBI (LODR), the Board of the Company has optimum combination of Executive, Non-Executive and Independent Directors comprising of 1 (One) Executive Director and 8 (Eight) Non-Executive Directors of which 4 (Four) are Independent Directors. The Chairman of the Company is a regular Non-Executive Independent Director. As the Chairman of the Company is a regular Non-Executive Independent Director, one third of the total number of directors are Independent Directors who are not liable to retire by rotation. The Board of Directors also complies with the provisions of having one Woman Director, Ms. Ameeta Parpia who has been appointed under the category of Independent Director.

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

The composition of the Board and other relevant details relating to directors for the financial year ended March 31, 2017 are as under:

Name of the Director	Relationship with other Directors	Designation	Category of Directorship	No of Directorship in listed entities	No of memberships in statutory committees*	No of post of Chairperson of statutory Committee*
Mr. Sridhar Gorthi	None	Chairman	Independent	2	2	1
Mr. Rajan Raheja	Father of Mr. Akshay Raheja & Mr. Viren Raheja	Director	Non- executive & Non Independent	4	1	0
Mr. Akshay Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Viren Raheja	Director	Non- executive & Non Independent	2	2	0
Mr. Viren Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Akshay Raheja	Director	Non- executive & Non Independent	2	3	0
Mr. Rajan Gupta**	None	Managing Director	Executive	1	2	0

Name of the Director	Relationship with other Directors	Designation	Category of Directorship	No of Directorship in listed entities	No of memberships in statutory committees*	No of post of Chairperson of statutory Committee*
Mr. Vinayak Aggarwal	None	Director	Non- executive & Non Independent	1	1	1
Mr. Sasha Mirchandani	None	Director	Independent	2	1	0
Mr. Devendra Shrotri	None	Director	Independent	1	1	0
Ms. Ameeta Parpia	None	Director	Independent	3	6	3
Mr. Biswajit Subramanian***	None	Director	Non- executive & Non Independent	-	-	-
Mr. Jagdishkumar G. Pillai****	None	Managing Director & CEO	Executive	-	-	-

\*It excludes Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013

\*\*Appointed as Managing Director with effect from 25th November, 2016.

\*\*\* Resigned as Director with effect from 2nd March, 2017.

\*\*\*\*Resigned as Managing Director and CEO with effect from 25th November, 2016.

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

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

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

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

**c) Appointment/Re-appointment of Directors:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Akshay Raheja and Mr. Viren Raheja, Non-Executive Directors shall retire by rotation at the forthcoming Annual General Meeting. In the opinion of the Board, they fulfill the condition specified in the Companies Act, 2013 for holding of office of director. Accordingly, the Board has recommended their reappointment as Non-Executive Directors of the Company.

The detailed resume of the said Non-Executive Directors is provided in the explanatory statement annexed to the notice of the Annual General Meeting.

Mr. Rajan Gupta was appointed as an Additional Director and also Managing Director of the Company w.e.f 25th November, 2016. As per section 161 of the Companies Act, 2013, an Additional Director holds office upto the date of next AGM. Accordingly, the Company has received a notice under section 160 of the Companies Act, 2013 along with the requisite deposit from a shareholder proposing the candidature of Mr. Rajan Gupta, for the office of a Director of the Company. His appointment and remuneration payable to him were approved by the shareholders through postal ballot on 13th January, 2017. Accordingly, the Board has recommended regularization of his appointment for the office of a Director of the Company.

**d) Board Meetings and Annual General Meeting:**

During the financial year 2016-17, 7 (Seven) Board Meetings were held and the gap between two Board Meetings was not more than 120 days. The details of Board Meetings held during the year are given below:

Sr. No.	Date of Meeting
1.	26th May, 2016
2.	17th August, 2016
3.	31st August, 2016
4.	25th November, 2016
5.	12th January, 2017
6.	8th February, 2017
7.	24th March, 2017

The last Annual General Meeting of the Company was held on 17th August, 2016.

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

Name of the Director(s)	No. of Board Meetings Attended	Attendance at Annual General Meeting dated 17.08.2016
Mr. Sridhar Gorthi	4	Yes
Mr. Rajan Raheja	6	No
Mr. Akshay Raheja	6	Yes
Mr. Viren Raheja	7	Yes
Mr. Biswajit Subramanian *	3	No
Mr. Vinayak Aggarwal	6	Yes
Mr. Sasha Mirchandani	3	No
Mr. Devendra Shrotri	1	No
Mr. Jagdishkumar G. Pillai**	4	Yes
Ms. Ameeta Parpia	7	No
Mr. Rajan Gupta***	3	N.A.

\* Resigned as Director with effect from 2nd March, 2017.

\*\* Resigned as Managing Director and CEO with effect from 25th November, 2016.

\*\*\*Appointed as Managing Director with effect from 25th November, 2016.

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

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

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

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

Details of familiarization programmes imparted to Independent Directors are disclosed on the website of the Company and can be accessed through web link <http://www.hathway.com/About/ComplianceReport#/2016-2017/q4>.

**g) Evaluation of Board performance:**

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

**h) Code of Conduct:**

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

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

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

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Internal Procedure and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders for Prevention of Insider Trading. All the Specified Persons who could have access to the unpublished price sensitive information of the Company are governed by this Code. The Trading Window for dealing in shares by the Specified Persons was closed during the time of declaration of results and occurrence of any material events as per the Code. The Company has appointed Mr. Ajay Singh, Company Secretary as Chief Compliance Officer, who is responsible for setting forth procedures and implementation of the Code for trading in Company's securities.

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

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

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

During the Financial year 2016-17, 4 (Four) Audit Committee Meetings were held and the gap between two meetings was not more than 120 days. Details of meetings during the financial year 2016-17 is as under:

Sr. No.	Date of Meeting
1.	26th May, 2016
2.	31st August, 2016
3.	25th November, 2016
4.	8th February, 2017

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

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

Committee Members Attending the Meeting	Category	Designation	No. of Meetings Attended
Mr. Sridhar Gorthi	Independent	Chairman	3
Mr. Viren Raheja	Non - Executive & Non Independent	Member	4
Mr. Sasha Mirchandani	Independent	Member	3
Mr. Devendra Shrotri	Independent	Member	1
Ms. Ameeta Parpia	Independent	Member	4

**c) Attendees:**

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

**d) Terms of Reference:**

- i) Hold discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems;
- ii) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- iii) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors, approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

- b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report.
- v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - viii) Approval or any subsequent modification of transactions of the company with related parties;
  - ix) Scrutiny of inter-corporate loans and investments;
  - x) Valuation of undertakings or assets of the company, wherever it is necessary;
  - xi) Evaluation of internal financial controls and risk management systems;
  - xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - xiv) Discussion with internal auditors on any significant findings and follow up there on;
  - xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - xvi) Discussion with statutory auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - xviii) To review the functioning of the Whistle Blower mechanism;
  - xxix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  - xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### **4. NOMINATION AND REMUNERATION COMMITTEE**

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

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

The Chairman of the Committee could not remain present at the Annual General Meeting held on 17th August 2016. However, in absence of the Chairman, Mr. Akshay Raheja was authorized to attend and give replies to the queries of shareholders, if any.

**b) Composition of Nomination and Remuneration Committee and the number of meetings held during the financial year 2016-17 and attendance by the members:**

Committee Members Attending the Meeting	Category	Designation	No. of Meetings Attended
Mr. Sasha Mirchandani	Independent	Chairman	1
Mr. Viren Raheja	Non - Executive & Non Independent	Member	1
Mr. Akshay Raheja	Non - Executive & Non Independent	Member	-
Mr. Shridhar Gorthi	Independent	Member	1
Mr. Devendra Shrotri	Independent	Member	-

During the financial year 2016-17, a meeting of Nomination and Remuneration Committee was held on 25th November, 2016.

**c) Terms of reference:**

The Committee is empowered to –

- Formulate criteria for determining qualifications, positive attributes and independence of director and recommendation to Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel;
- Support Board in performance evaluation of all the directors and annual self-assessment of the Board's overall performance;
- Conduct annual performance review of Managing Director and Senior Management Personnel;
- Administration of Employee Stock Option Scheme (ESOS);
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors.

## 5. REMUNERATION POLICY

The Remuneration Policy being part of the Nomination and Remuneration Policy of the Company has been provided in the Directors' Report section of the Annual Report as Annexure-II.

**a) Remuneration of directors:**

**i. Management Staff:**

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

**ii. Non-Executive Directors:**

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

Details of the sitting fees during the financial year 2016-17 are as under:

Name of the Director	Sitting Fees (Amt. in ₹)
Mr. Akshay Raheja	300,000
Ms. Ameeta Parpia	510,000
Mr. Biswajit Subramanian	150,000
Mr. Devendra Shrotri	90,000
Mr. Rajan Raheja	300,000
Mr. Sasha Mirchandani	270,000

Name of the Director	Sitting Fees (Amt. in ₹)
Mr. Sridhar Gorthi*	320,000
Mr. Vinayak Aggarwal	300,000
Mr. Viren Raheja	510,000
<b>Grand Total</b>	<b>2,750,000</b>

\* Payments made directly to "Trilegal", the firm where Mr. Sridhar Gorthi is a partner.

### iii. Executive Directors:

Mr. Jagdishkumar G. Pillai, Managing Director and Chief Executive Officer of the Company resigned from the office of director of the Company w.e.f. 25th November, 2016 and Mr. Rajan Gupta was appointed as the Managing Director of the Company on the same date. There is no other Executive Director in the Company.

Details of remuneration paid to Mr. Jagdishkumar G. Pillai from 1st April, 2016 to 25th November, 2016 is given below:

Name of the Executive Director	Designation	Salary & Perquisites (₹)	Commission (₹)	Total (₹)
Mr. Jagdishkumar G. Pillai	Managing Director & CEO	16,120,094	-	16,120,094

Details of remuneration paid to Mr. Rajan Gupta from 25th November, 2016 to 31st March, 2017 is given below:

Name of the Executive Director	Designation	Salary & Perquisites (₹)	Commission (₹)	Total (₹)
Mr. Rajan Gupta	Managing Director	7,289,449	-	7,289,449

The said Managing Director has not been issued any Stock Options, pensions etc. and he is also not entitled for performance linked incentives severance fees.

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

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

During the financial year 2016-2017, 4 (Four) meetings of Stakeholder's Relationship Committee were held as per the details given below:

Sr. No.	Date of Meeting
1.	6th May, 2016
2.	7th July, 2016
3.	17th October, 2016
4.	6th January, 2017

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

Name of Director	Category	Designation	No. of Meetings Attended
Mr. Vinayak Aggarwal	Non - Executive & Non Independent	Chairman	2
Mr. Rajan Gupta*	Executive	Member	1
Mr. Viren Raheja	Non - Executive & Non Independent	Member	4
Mr. Jagdishkumar G. Pillai**	Executive	Member	3

\*Appointed as member with effect from 25th November, 2016.

\*\*Resigned as member with effect from 25th November, 2016.

### b) Name and designation of the Compliance Officer:

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

**c) Status of the Complaints:**

During the financial year 2016-17, 1 (One) grievance from investors has been received. There were no complaints pending as at end of the year.

Received from	Received During 2016-17	Redressed during 2016-17	Pending as on 31.03.2017
SEBI	0	0	0
NSE	0	0	0
BSE	0	0	0
NSDL/CDSL	0	0	0
Direct from Investors	1	1	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>

**d) Share Transfers in Physical Mode:**

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

There was no transfer of shares held in physical form reported during the financial year 2016-17.

**7. GENERAL BODY MEETINGS****a) Location, time and date of holding of the last 3 (Three) Annual General Meetings are given below:**

Financial Year	Date of AGM	Venue	Time
2013-14	05.08.2014	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm
2014-15	11.08.2015	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm
2015-16	17.08.2016	ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm

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

Date of AGM	Particulars of Special Resolutions Passed
05.08.2014	Alteration of the Articles of Association of the Company
11.08.2015	Nil
17.08.2016	Nil

**c) Postal Ballot:**

During the financial year 2016-17, the Company conducted postal ballot exercise four times for seeking approval of members. Shareholders of the Company were provided e-voting facility for casting their votes electronically on the resolutions proposed through postal ballot process. The details of postal ballot exercise undertaken by the Company during the financial year 2016-17 are as under:

Postal Ballot Notice dated	Resolutions proposed
26th May, 2016	<ol style="list-style-type: none"> <li>Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for authorizing the Board of Directors of the Company to borrow funds in excess of Paid up Capital and Free reserves of the Company subject to maximum of ₹ 2,000 Crores.</li> <li>Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for authorizing the Board of Directors for creation of Charge / Hypothecation / Mortgage on the movable / immovable properties of the Company for securing the borrowings of the Company subject to maximum limit of ₹ 2,000 Crores.</li> </ol>
17th August, 2016	Special Resolution pursuant to provisions of Regulation 24 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the applicable provisions of the Companies Act, 2013 to offer and dispose of up to 9,000,000 equity shares of GTPL Hathway Private Limited under the proposed initial public offer by GTPL Hathway Private Limited.
25th November, 2016	Special Resolution under Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or enactment thereof), for appointment of Mr. Rajan Gupta as Managing Director of the Company and payment of remuneration to him.

Postal Ballot Notice dated	Resolutions proposed
8th February, 2017	<p>1. Special Resolution for rescinding the earlier resolution passed by the shareholders of the Company for demerging the ISP business of the Company into Hathway Broadband Private Limited.</p> <p>2. Special Resolution to sell, transfer or dispose of the Cable Television Business of the Company by way of slump sale to Hathway Datacom Central Private Limited, a wholly owned subsidiary company of the Company.</p>

**Other details of Postal Ballot Process:**

Postal Ballot Notice dated	Cut Off date	Date of dispatch of notice	Date of publication of dispatch of notice in newspapers	Commencement of E-voting	Last date of receiving of postal ballot / e-voting by Scrutiniser	Date of declaration of results
26th May, 2016	17th June, 2016	4th July, 2016	5th July, 2016	5th July, 2016	3rd August, 2016	5th August, 2016
17th August, 2016	19th August, 2016	25th August, 2016	26th August, 2016	26th August, 2016	24th September, 2016	26th September, 2016
25th November, 2016	2nd December, 2016	13th December, 2016	14th December, 2016	14th December, 2016	12th January, 2017	13th January, 2017
8th February, 2017	3rd February, 2017	10th February, 2017	11th February, 2017	11th February, 2017	12th March, 2017	14th March, 2017

**Postal Ballot process:**

- i. Mr. Himanshu S. Kamdar, Practicing Company Secretary was appointed as the Scrutinizer for submitting report on voting pattern on the resolutions proposed to be passed through postal ballots carried out during the financial year 2016-17.
- ii. The Managing Director and the Company Secretary of the Company were authorized to conduct the postal ballot process.
- iii. The Company had dispatched the Postal Ballot Notices, together with the Explanatory Statements along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on cut-off date decided for each of the postal ballot notices. The said Notices were dispatched through electronic mode in case of registered mail id's available with the Registrar and Transfer Agents and other cases through physical mode.
- iv. The voting (either physically or through electronic mode) under the postal ballot was kept open for a period of 30 days from the date of dispatch of respective postal ballot notices.
- v. Particulars of postal ballot forms received from the members using the electronic platform of CDSL were entered in a register separately maintained for the purpose.
- vi. The postal ballot forms were kept under safe custody of the Scrutinizer in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- vii. All postal ballot forms received up to the closure of respective working hours of the last date and time fixed by the Company for receipt of the forms, was considered by the Scrutiniser and Postal ballot forms received thereafter was not considered by the Scrutiniser.

A summary of Postal Ballot Form (PBF) received/ Votes Cast through e-Voting for item Nos. 1 and 2 of Postal Ballot Notice dated 26th May, 2016 is as under:

Sr. No.	Particulars	Resolution 1		Resolution 2	
		No. of PBF / E-Voting	No. of Shares voted	No. of PBF / E-Voting	No. of Shares voted
a.	Postal Ballot Forms received	106	28,673	106	28,673
b.	e-Voting Confirmations	73	612,944,048	73	612,944,048
	<b>Total</b>	<b>179</b>	<b>612,972,721</b>	<b>179</b>	<b>612,972,721</b>
c.	Less: Invalid Postal Ballot Forms / e-Voting confirmations	17	10,485	18	10,505
d.	Net Valid Postal Ballot Forms / e-Voting with assent for the Resolution	162	612,962,236	161	612,962,216
	(i) Postal Ballot Forms / e-Voting with assent for the Resolution	152	612,960,596	151	612,960,404
	<b>% of Assent</b>		<b>99.99</b>		<b>99.99</b>
	(ii) Postal Ballot Forms / e-Voting with dissent for the Resolution	10	1,640	11	1,812
	<b>% of Dissent</b>		<b>0.01</b>		<b>0.01</b>

A summary of Postal Ballot Form (PBF) received/ Votes Cast through e-voting for item no. 1 of Postal Ballot Notice dated 17th August, 2016 is as under:

Sr. No.	Particulars	Resolution 1	
		No. of Ballots / Remote E-Voting confirmations	No. of Shares voted
a.	Votes casted through ballots	90	89,888
b.	Remote e-voting confirmations received	74	618,321,759
	<b>Total</b>	<b>164</b>	<b>618,411,647</b>
c.	Less: Invalid Ballots / Remote e-voting confirmations	13	3,536
d.	Net Valid Ballots / Remote e-voting confirmations	151	618,408,111
	(i) Physical Ballots / Remote e-voting confirmations with assent for the Resolution	145	618,395,688
	<b>% of Assent</b>		<b>99.998</b>
	(ii) Physical Ballots / Remote e-voting confirmations with dissent for the Resolution	6	12,423
	<b>% of Dissent</b>		<b>0.002</b>

A summary of Postal Ballot Form (PBF) received/ Votes Cast through e-voting for item no. 1 of Postal Ballot Notice dated 25th November, 2016 is as under:

Sr. No.	Particulars	Resolution 1	
		No. of PBF / E-Voting	No. of Shares voted
a.	Postal Ballot Forms received	107	96,909
b.	e-Voting Confirmations	82	641,577,855
	<b>Total</b>	<b>189</b>	<b>641,674,764</b>
c.	Less: Invalid Postal Ballot Forms / e-Voting confirmations	13	10,605
d.	Net Valid Postal Ballot Forms / e-Voting with assent for the Resolution	176	641,664,159
	(i) Postal Ballot Forms / e-Voting with assent for the Resolution	165	641,662,893
	<b>% of Assent</b>		<b>99.99</b>
	(ii) Postal Ballot Forms / e-Voting with dissent for the Resolution	11	1,266
	<b>% of Dissent</b>		<b>0.01</b>

A summary of Postal Ballot Form (PBF) received/ Votes Cast through e-voting for item nos. 1 and 2 of Postal Ballot Notice dated 8th February, 2017 is as under:

Sr. No.	Particulars	Resolution 1		Resolution 2	
		No. of PBF / E-Voting	No. of Shares voted	No. of PBF / E-Voting	No. of Shares voted
a.	Postal Ballot Forms received	116	102,008	116	102,008
b.	e-Voting Confirmations	87	635,900,601	87	635,900,601
	<b>Total</b>	<b>203</b>	<b>636,002,609</b>	<b>203</b>	<b>636,002,609</b>
c.	Less: Invalid Postal Ballot Forms / e-Voting confirmations	22	7,396,558	16	11,346
d.	Net Valid Postal Ballot Forms / e-Voting with assent for the Resolution	181	628,606,051	187	635,991,263
	(i) Postal Ballot Forms / e-Voting with assent for the Resolution	165	628,604,189	172	635,989,563
	<b>% of Assent</b>		<b>99.99</b>		<b>99.99</b>
	(ii) Postal Ballot Forms / e-Voting with dissent for the Resolution	16	1,862	15	1,700
	<b>% of Dissent</b>		<b>0.01</b>		<b>0.01</b>

## 8. MEANS OF COMMUNICATION

- All the vital information relating to the Company like quarterly results, annual results, official press releases, presentations, if any, made to Institutional Investors or Analysts are posted on the website of the Company [www.hathway.com](http://www.hathway.com) on timely basis.
- The quarterly and annual financial result of the Company is published either in Aapla Mahanagar or Mumbai Lakshadeep (Marathi Newspaper) and Financial Express (English Newspaper). The said financial result is further submitted to the National Stock Exchange of India Limited and BSE Limited.
- The Management Discussion and Analysis Report is attached and forms part of this Annual Report.

## 9. GENERAL SHAREHOLDER INFORMATION

a.	Date, time and venue of Annual General Meeting of Shareholders	Friday, September 15, 2017 at 3.00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai - 400 049.
b.	Financial Year	The Company follows April-March as its financial year. The results for every quarter beginning from April are declared as per the SEBI (LODR).
c.	Dividend Payment Date	The Board of Directors of the Company have not recommended any dividend for the financial year ended 31st March 2017.
d.	Listing Information	<p>The Company's equity shares are listed on National Stock Exchange of India Limited and BSE Limited.</p> <p>National Stock Exchange of India Limited Address: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400051 (Code: HATHWAY)</p> <p>BSE Limited Address: P.J. Towers, 1st Floor, Dalal Street, Mumbai-400001 (Code : 533162) ISIN : INE982F01036</p> <p>Annual listing fee for the financial year 2016-17 has been paid to National Stock Exchange of India Limited and BSE Limited.</p>
e.	Address for Correspondence	<p>For General Correspondence:</p> <p>Mr. Ajay Singh-Head Legal, Company Secretary and Chief Compliance Officer 805/806, Windsor, Off C.S.T Road, Kalina, Santacruz (East), Mumbai-400098.</p> <p>For matters related to Share transfers Dematerialization, etc.:</p> <p>Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikroli West, Mumbai-400083 Tel : (022) 49186000   Fax : (022) 49186060.</p>

f.	Registrar and Transfer agents	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikroli West, Mumbai-400083 Tel : (022) 49186000   Fax : (022) 49186060
g.	Share Transfer System	Shares sent for physical transfer are generally registered and disposed off within a period of 15 days from the date of receipt, if the documents are complete in all respects. The Board of Directors of the Company are authorized to approve the share transfers.
h.	Plant Locations	The Company is not engaged in manufacturing activities.

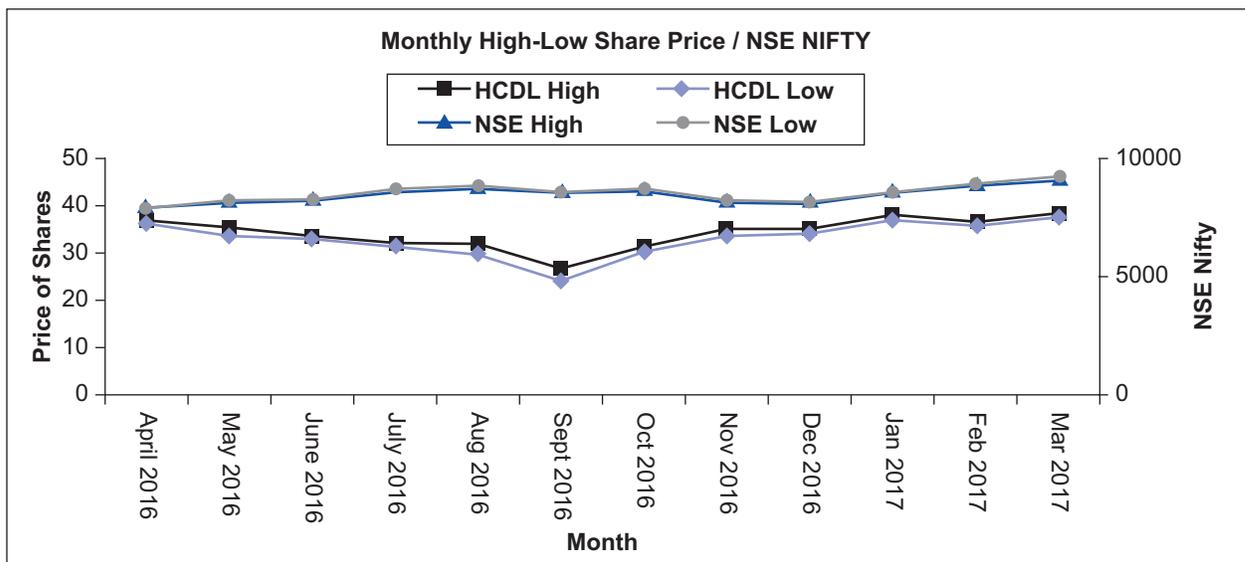
**i. Stock Market Price Data:**

**National Stock Exchange of India Limited**

Monthly High and Low of Closing prices of the Company's Equity Shares traded at National Stock Exchange of India Limited for the financial year ended 31st March, 2017 is given below:

**Performance in comparison to NSE Nifty:**

Month	NSE Nifty (High)	NSE Nifty (Low)	High Price	Low Price
April 2016	7889.05	7788.70	37.30	36.05
May 2016	8213.60	8134.30	35.10	33.15
Jun 2016	8308.15	8242.10	33.50	32.75
July 2016	8670.35	8631.15	32.00	31.35
Aug 2016	8819.20	8754.05	31.90	29.80
Sept 2016	8637.15	8555.20	26.45	23.95
Oct 2016	8678.25	8616.25	31.00	30.40
Nov 2016	8234.25	8139.25	35.00	33.50
Dec 2016	8197.00	8114.75	34.90	34.15
Jan 2017	8631.75	8552.40	37.75	36.85
Feb 2017	8914.75	8867.60	36.55	35.75
Mar 2017	9191.70	9152.10	38.30	37.55

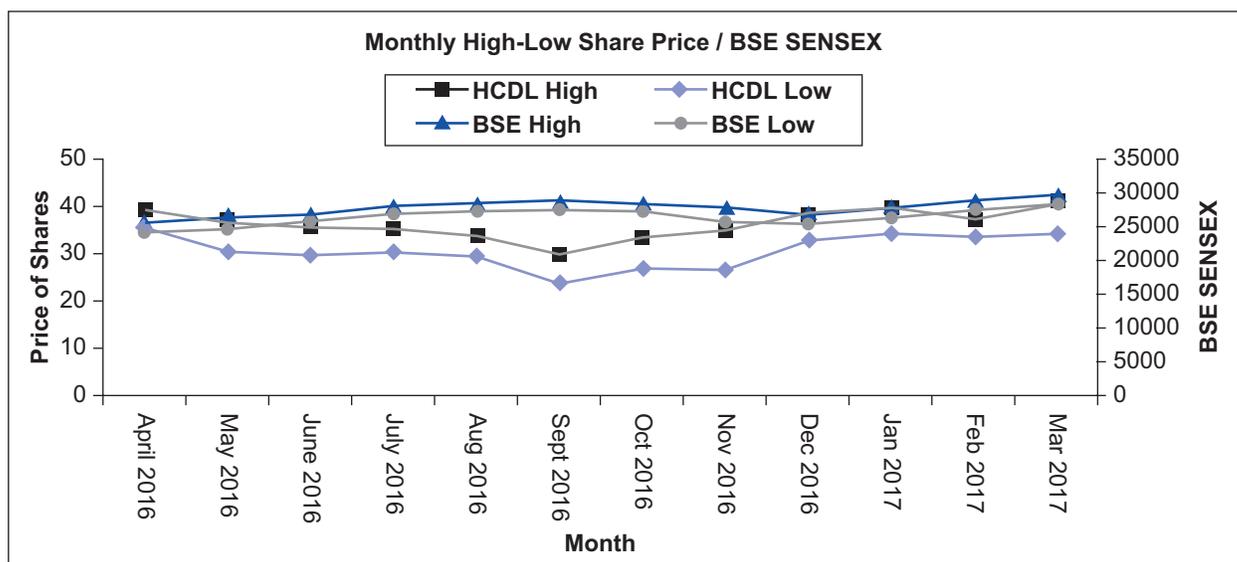


**BSE Limited**

Monthly High and Low of closing prices of the Company's Equity Shares traded at BSE Limited for the financial year ended 31st March, 2017 is given below:

**Performance in comparison to BSE Sensex:**

Month	BSE SENSEX (High)	BSE SENSEX (Low)	High Price	Low Price
April 2016	26100.54	24523.20	39.50	35.40
May 2016	26837.20	25057.93	37.20	30.70
Jun 2016	27105.41	25911.33	36.10	30.00
July 2016	28240.20	27034.14	35.30	30.50
Aug 2016	28532.25	27627.97	33.90	29.50
Sept 2016	29077.28	27716.78	30.00	24.00
Oct 2016	28477.65	27488.30	33.65	26.95
Nov 2016	28029.80	25717.93	35.20	26.75
Dec 2016	26803.76	25753.74	38.50	33.00
Jan 2017	27980.39	26447.06	39.90	34.50
Feb 2017	29065.31	27590.10	37.70	33.90
Mar 2017	29824.62	28716.21	41.35	34.55


**j. a) Distribution of Shareholding as on 31st March, 2017:**

Range	No. of Shareholders	% of Total Share holders	Share Amount (₹)	% of Total Share Capital
1 -- 1000	11,610	80.3405	3,771,870	0.2271
1001 -- 2000	1,272	8.8022	2,176,336	0.1310
2001 -- 4000	730	5.0516	2,364,170	0.1423
4001-- 6000	242	1.6746	1,276,070	0.0768
6001 -- 8000	87	0.6020	637,106	0.0384
8001 -- 10000	107	0.7404	1,041,854	0.0627
10001--20000	133	0.9204	2,049,308	0.1234
20001 & above	270	1.8684	1,647,672,286	99.1983
<b>Total</b>	<b>14,451</b>	<b>100.00</b>	<b>1,660,989,000</b>	<b>100.00</b>

**b) Category wise Distribution Schedule as on 31st March, 2017:**

Sr. No.	Category	No. of Shares held	%
1.	Directors	240,993,315	29.0181
2.	Corporate Bodies (Promoter Companies)	120,095,015	14.4607
3.	Clearing Members	1,061,126	0.1278
4.	Other Bodies Corporate	9,363,280	1.1274
5.	Foreign Company	99,976,265	12.0382
6.	Financial Institutions	2,457,765	0.2959
7.	Foreign Institutional Investor	88,810	0.0107
8.	Mutual Funds	53,697,658	6.4657
9.	Non Nationalised Banks	28,357	0.0034
10.	Non Resident Indians	11,585,475	1.3950
11.	Non Resident Indians (Non Repatriable)	3,721,129	0.4481
12.	Public	19,611,823	2.3615
13.	Hindu Undivided Family	409,320	0.0493
14.	Trusts	808,750	0.0974
15.	Foreign Portfolio Investor (Corporate)	266,596,412	32.1009
	<b>Total</b>	<b>830,494,500</b>	<b>100.00</b>

**k. Dematerialization of Shares and liquidity:**

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

As on 31st March, 2017, except 265 equity shares, all the shares are held in dematerialized form.

- l. The Company has not issued any outstanding GDR's/ADR's/Warrants or any convertible instruments pending conversion and hence it does not have any outstanding GDR's/ADR's/Warrants or any convertible instruments pending conversion likely to impact the Equity Share Capital of the Company.

**m. Details as per clause F of Schedule V of SEBI (LODR):**

Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account:

Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1st April, 2016		Details of Shareholders approached during the FY 2016-17 for claiming of shares		Details of Shareholders to whom the shares have been transferred during the FY 2016-17		Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March, 2017	
No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares
11	4,250	0	0	0	0	11	4,250

\* Note: The Shareholders may please note that the voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the same.

**Request to investors:**

- a) Investors are requested to communicate change of address, if any, directly to the Registrar and Transfer agent of the Company at the mentioned address.
- b) As required by SEBI, investors shall furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.

- c) The Shareholders who still hold the shares in the physical mode are requested to convert their respective holding in dematerialized mode and get their email id registered with the Company / Registrar and Transfer agent to enable the Company to send all the Communications / Correspondence through electronic mode.
- d) Investors who have not availed nomination facility are requested to avail the same by submitting the nomination form. The form will be made available on request.
- e) Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number etc.

**n. OTHER DISCLOSURES**

**a) Related Party Transactions:**

There are no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large. The transactions mentioned under the Section of Notes to Accounts which forms part of the Auditors' Report for the year ended 31st March, 2017 are non-material in nature.

The policy on dealing with the related party transaction and for determining material subsidiary is uploaded on the website, the link of which is given below:

[http://www.hathway.com/assets/pdf/Policies/Related%20Party%20Transaction%20Policy\\_2014-15\\_13.11.2014.pdf](http://www.hathway.com/assets/pdf/Policies/Related%20Party%20Transaction%20Policy_2014-15_13.11.2014.pdf)

[http://www.hathway.com/assets/pdf/Policies/Policy%20on%20material%20subsidiaries\\_2014-15\\_11.02.2015.pdf](http://www.hathway.com/assets/pdf/Policies/Policy%20on%20material%20subsidiaries_2014-15_11.02.2015.pdf)

**b) Details of Non-Compliance by the Company:**

As per Regulation 24(1) of SEBI (LODR), at least one Independent Director on the Board of Directors of the listed entity shall be a director on the Board of Directors of an unlisted material subsidiary, incorporated in India. Accordingly, Mr. Devendra Shrotri, an Independent Director on the board of the Company was nominated on the board of GTPL Hathway Limited (GTPL), unlisted material subsidiary, incorporated in India, on 20th January, 2010 as an Independent Director. In view of the exercise being taken up by the said subsidiary to comply with the provisions for listing of its shares to be offered to public through Initial Public Offer, Mr. Devendra Shrotri resigned from its' Board. Hence, there was no Independent Director on the board of GTPL as of 31st March, 2017.

No penalties or strictures were imposed by the Stock Exchanges, SEBI or any other statutory authority in relation to any matter connected to capital markets, during the last three years.

**c) Whistle Blower Policy and Access of personnel to the Audit Committee:**

The Company has framed a Whistle Blower Policy which was approved by the Board of Directors on 29th May, 2014. The Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee.

**d) Disclosure of Commodity Price Risks and Commodity hedging activities:**

Appropriate risk hedging strategy is in place to mitigate exchange fluctuation risks. Foreign exchange exposures are periodically reviewed and if necessary, hedged while avoiding trading and speculative positions.

**e) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:**

The Company has complied with the mandatory requirements of the Corporate Governance Clause of SEBI (LODR). The Company has not implemented the non-mandatory requirements as specified in Part E of Schedule II of SEBI (LODR).

**f) Compliance with Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR):**

The Company has on a timely basis disclosed the compliance as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) to the extent it is applicable to the Company except for the point mentioned in the 11(b).

**o. CEO/CFO CERTIFICATION**

As required under Part B of Schedule II read with Regulation 17(8) of SEBI (LODR), the Chief Financial Officer of the Company has certified to the Board regarding his review on the Financial Statement, Cash Flow Statement and other matters related to internal controls in the prescribed format for the year ended 31st March, 2017.

**CODE OF CONDUCT DECLARATION**

Pursuant to the provisions of SEBI (LODR), the Board members and Senior Management Personnel of the Company have confirmed compliance with the Code of Conduct of the Company.

**Rajan Gupta**

Managing Director

DIN: 07603128

Place: Mumbai

Date: 30th May, 2017

To,  
The Members  
**HATHWAY CABLE AND DATACOM LIMITED**

## **CORPORATE GOVERNANCE CERTIFICATE**

We have examined the compliance of conditions of Corporate Governance by **HATHWAY CABLE AND DATACOM LIMITED** ("Company") for the financial year ended 31st March, 2017, as stipulated in Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchanges in India.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has in all material respect complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Rathi & Associates  
Company Secretaries**

**Himanshu Kamdar**  
Partner  
FCS No. 5171  
C.P. No. 3030

Place: Mumbai  
Date: 30th May, 2017

# INDEPENDENT AUDITOR'S REPORT

To the Members of Hathway Cable and Datacom Limited

## REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **Hathway Cable and Datacom Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

## MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act read with the relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS, of the state of affairs of the Company as at March 31, 2017, and its losses including (other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## EMPHASIS OF MATTER

We draw attention to note no. 4.20 to the accounts relating to manner and basis of recognition of subscription income in respect of Cable Television business.

Our opinion is not qualified in respect of this matter.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
- As required by Section 143 (3) of the Act, we report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, by the Companies (Audit and Auditors) Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 4.02 to the standalone financial statements;
- ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund, except for delay in transferring an amount of ₹ 29,375 (Amount in ₹) in respect of unclaimed share application money as explained in Note 4.24 to the standalone financial statements; and
- iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 2.11 to the standalone financial statements.

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

Chartered Accountants  
Firm's Registration No: 104767W

**Viren Thakkar**

Partner

Membership No: 49417

Mumbai

Dated: May 30, 2017

# ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading "Report on Other Legal & Regulatory Requirements" of our report on even date to the financial statements of the Company for the year ended March 31, 2017

- (i) (a) The Company has maintained records of Property, Plant and Equipment showing particulars of assets including quantitative details and location except in case of certain types of distribution equipments like cabling, line equipments, access devices with end users. In view of the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;
- (b) Distribution equipments like cabling and other line equipments of selected networks were verified. The management plans to verify balance networks in a phased manner. Property, Plant and Equipment, other than distribution equipments and access devices with the end users were physically verified during the year based on verification programme adopted by the management. As per this programme, all assets will be verified at least once in a period of three years. The management has represented that physical verification of access devices with the end users is impractical; however, the same can be tracked, in case of most of the networks, through subscribers management system;
- The Company is in the process of reconciling book records with outcome of physical verification, wherever physical verification was carried out and have accounted for the discrepancies observed on such verification;
- In our opinion, frequency and procedure for verification of distribution equipments and subsequent reconciliation with book records need to be strengthened;
- (c) The Company does not hold any immovable properties. Accordingly, the paragraph 3(i)(c) of the Order regarding title deeds of immovable properties is not applicable;
- (ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable;
- (b) The discrepancies noticed on physical verification as compared to the book records were not material having regards to size and nature of operations and have been properly dealt with in the books of account;
- (iii) (a) The Company has granted unsecured loan to parties covered in the register maintained under Section 189 of the Act;
- (b) In our opinion, the terms and conditions on which the loans had been granted to the companies listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
- (c) According to the information and explanations given to us, no repayment schedules have been specified in respect of such loans granted and accordingly, the question of regularity in repayment of principal amount does not arise;
- (d) There is no amount which is overdue for more than ninety days in respect of such loans.
- (iv) Based on the audit procedures applied by us, during the year under audit, the Company has not granted loans, guarantee and security or made investments which require compliance in terms of the provisions contained in the section 185 or section 186 of the Act. The Management has, based on legal opinion, represented that overdue book debts are not in the nature of loan and hence do not fall within the scope of section 185 of the Act. In such circumstances, para 3(iv) of the Order is not applicable;
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard;
- (vi) The Central Government has prescribed maintenance of cost records under Section 148(1) of the Act, for the products manufactured by the Company. We have broadly reviewed the books of account maintained and in our opinion; prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete;
- (vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added

tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2017, for a period of more than six months from the date they became payable;

- (b) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited with the concerned authorities on account of dispute are given below:

Sr No	Name of the Statute	Nature of the Dues	Amount involved (in crores)	Period to which the amount relates	Forum where dispute is pending
1	Finance Act, 1994	Service Tax	0.04	April 2003 to March 2004	Service Tax Department
2	Central Sales Tax Act, 1958	Central Sales Tax	0.02	2011-12	Deputy Commissioner Appeals
3	Finance Act, 1994	Service Tax	3.70	2003-04 to 2006-07	Additional Commissioner Service Tax

- (viii) Based on our audit procedure and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions, bank, and government. The Company has not issued any debentures;
- (ix) In our opinion and according to the information and explanations given to us and based on overall examination of records, the term loans have been applied for the purpose for which the loans were obtained; The Company did not raise any money by way of initial public offer or further public offer including debt instruments;
- (x) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Act;
- (xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;
- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company;
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements, the Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company; and
- (xvi) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provision of clause 3(xvi) of the Order are not applicable to the Company.

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

Chartered Accountants  
Firm's Registration No: 104767W

**Viren Thakkar**

Partner

Membership No: 49417

Mumbai  
Dated: May 30, 2017

# ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date to the financial statements of the Company for the year ended March 31, 2017:

## REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(I) OF THE ACT

We have audited the internal financial controls over financial reporting of Hathway Cable and Datacom Limited ('the Company') as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company's internal financial controls system over financial reporting.

## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on issued by the Institute of Chartered Accountants of India.

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

Chartered Accountants

Firm's Registration No: 104767W

**Viren Thakkar**

Partner

Membership No: 49417

Mumbai

Dated: May 30, 2017

**STANDALONE BALANCE SHEET**

AS AT MARCH 31, 2017

(Amount: ₹ in Crores unless otherwise stated)

	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	2.01	617.32	1,351.67	1,155.37
Capital work in progress		55.71	277.79	156.60
Goodwill		0.02	4.19	4.92
Other Intangible assets	2.02	15.55	89.18	112.18
<b>Financial Assets</b>				
Investments	2.03	833.23	816.78	760.22
Trade receivables	2.04	-	1.08	1.08
Loans	2.05	10.91	31.71	5.15
Other financial assets	2.06	18.11	80.49	122.32
Deferred tax assets (net)	2.07	-	-	-
Other Non-current assets	2.08	66.97	130.33	81.21
<b>Total Non-current assets</b>		<b>1,617.82</b>	<b>2,783.22</b>	<b>2,399.05</b>
<b>Current assets</b>				
Inventories	2.09	20.12	18.17	6.02
<b>Financial Assets</b>				
Investments	2.10	-	-	89.30
Trade receivables	2.04	24.23	293.11	232.60
Cash and cash equivalents	2.11	13.79	27.20	20.41
Loans	2.05	73.56	35.06	12.08
Other financial assets	2.06	275.68	6.48	3.35
Current Tax Assets (Net)	2.12	23.34	18.63	23.22
Other current assets	2.08	52.85	155.64	97.20
<b>Total Current assets</b>		<b>483.57</b>	<b>554.29</b>	<b>484.18</b>
Non-current assets classified as held for sale		0.02	0.47	0.48
<b>Total Assets</b>		<b>2,101.41</b>	<b>3,337.98</b>	<b>2,883.71</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	2.13	166.10	166.10	166.10
Other Equity	2.14	811.39	965.21	1,156.35
<b>Total Equity</b>		<b>977.49</b>	<b>1,131.31</b>	<b>1,322.45</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	2.15	586.18	970.61	669.60
Other financial liabilities	2.17	14.96	19.81	14.97
Provisions	2.18	3.05	19.87	4.59
Other Non-current liabilities	2.19	1.16	2.65	-
<b>Total Non-current liabilities</b>		<b>605.36</b>	<b>1,012.94</b>	<b>689.16</b>
<b>Financial Liabilities</b>				
Borrowings	2.15	42.40	198.85	99.17
Trade payables	2.16	47.29	146.55	121.48
Other financial liabilities	2.17	311.51	522.17	408.10
Provisions	2.18	2.31	0.91	4.44
Other current liabilities	2.19	115.05	325.25	238.91
<b>Total current liabilities</b>		<b>518.56</b>	<b>1,193.73</b>	<b>872.10</b>
<b>Total Equity and Liabilities</b>		<b>2,101.41</b>	<b>3,337.98</b>	<b>2,883.71</b>
<b>Summary of Significant Accounting Policies</b>	1			
<b>Refer accompanying notes. These notes are integral part of the financial statements.</b>				

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

For and on behalf of the Board

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

**(Vinayak Aggarwal)**  
Director  
DIN : 00007280

**(Rajan Gupta)**  
DIN : 07603128  
Managing Director

**(Ajay Singh)**  
Head Legal, Company Secretary  
and Chief Compliance Officer  
FCS - 5189

**(Vineet Garg)**  
Chief Financial Officer

Place: Mumbai  
Date : May 30, 2017

Place: Mumbai  
Date : May 30, 2017

**STANDALONE STATEMENT OF PROFIT AND LOSS**

FOR THE YEAR ENDED MARCH 31, 2017

(Amount: ₹ in Crores unless otherwise stated)

	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
<b>INCOME</b>			
Revenue from Operations	3.01	1,307.40	1,102.96
Other Income	3.02	23.10	17.90
		<b>1,330.50</b>	<b>1,120.86</b>
<b>EXPENDITURE</b>			
Pay Channel Cost		418.48	369.24
Other Operational Expenses	3.03	258.68	209.52
Employee Benefits Expense	3.04	86.48	79.64
Finance Cost	3.05	110.30	89.49
Depreciation, Amortization and Impairment	3.06	300.76	254.49
Other Expenses	3.07	306.42	270.46
		<b>1,481.12</b>	<b>1,272.84</b>
<b>Profit / (Loss) before Exceptional items and Tax</b>		<b>(150.62)</b>	<b>(151.98)</b>
Exceptional Items	3.08	3.49	36.35
<b>Profit / (Loss) before Tax</b>		<b>(154.11)</b>	<b>(188.33)</b>
Tax Expense:			
Current Tax		-	-
Deferred Tax	2.07	-	-
<b>Profit / (Loss) for the Year</b>		<b>(154.11)</b>	<b>(188.33)</b>
<b>Other Comprehensive Income / (Loss) (Net of Taxes)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurements of defined benefit plans		0.31	(2.75)
Income tax effect relating to items that will not be reclassified to profit or loss		-	-
<b>Other Comprehensive Income / (Loss) for the year (B)</b>		<b>0.31</b>	<b>(2.75)</b>
<b>Total Comprehensive Income / (Loss) for the year (A+B)</b>		<b>(153.80)</b>	<b>(191.08)</b>
<b>Earnings / (Loss) per equity share (Face value of ₹ 2/- each) (Refer Note 4.01):</b>			
Basic and diluted (in ₹)		(1.86)	(2.27)
<b>Significant accounting policies</b>	1		
<b>Refer accompanying notes. These notes are an integral part of the financial statements.</b>			

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**(Viren Thakkar)**

Partner

Membership No : 49417

**(Vinayak Aggarwal)**

Director

DIN : 00007280

**(Ajay Singh)**Head Legal, Company Secretary  
and Chief Compliance Officer

FCS - 5189

**For and on behalf of the Board****(Rajan Gupta)**

DIN : 07603128

Managing Director

**(Vineet Garg)**

Chief Financial Officer

Place: Mumbai

Date : May 30, 2017

Place: Mumbai

Date : May 30, 2017

# STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Crore unless otherwise stated)

## A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
Balance at April 1, 2015	2.13	166.10
Changes in Equity Share Capital during the year		-
<b>Balance at March 31, 2016</b>	<b>2.13</b>	<b>166.10</b>
<b>Balance at April 01, 2016</b>		<b>166.10</b>
Changes in Equity Share Capital during the year		-
<b>Balance at March 31, 2017</b>	<b>2.13</b>	<b>166.10</b>

## B. OTHER EQUITY

Particulars	Reserves and Surplus			Total
	Securities Premium	Retained earnings	Employee Stock Options Outstanding Account	
Balance at April 1, 2015	1,877.01	(720.73)	0.07	1,156.35
(Loss) for the year	-	(188.33)		(188.33)
Other Comprehensive Income / (Loss) for the year	-	(2.75)		(2.75)
	1,877.01	(911.81)	0.07	965.27
Less: Expired during the year	-	-	(0.06)	(0.06)
<b>Balance at March 31, 2016</b>	<b>1,877.01</b>	<b>(911.81)</b>	<b>0.01</b>	<b>965.21</b>
(Loss) for the year	-	(154.11)		(154.11)
Other Comprehensive Income / (Loss) for the year	-	0.31		0.31
	1,877.01	(1,065.61)	0.01	811.40
Less: Expired during the year	-	-	(0.01)	(0.01)
<b>Balance at March 31, 2017</b>	<b>1,877.01</b>	<b>(1,065.61)</b>	<b>-</b>	<b>811.39</b>
<b>Significant accounting policies (Refer Note 1)</b>				
<b>Refer accompanying notes. These notes are an integral part of the financial statements.</b>				

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**For and on behalf of the Board****(Viren Thakkar)**

Partner

Membership No : 49417

**(Vinayak Aggarwal)**

Director

DIN : 00007280

**(Rajan Gupta)**

DIN : 07603128

Managing Director

**(Ajay Singh)**Head Legal, Company Secretary  
and Chief Compliance Officer

FCS - 5189

**(Vineet Garg)**

Chief Financial Officer

Place: Mumbai

Date : May 30, 2017

Place: Mumbai

Date : May 30, 2017

# CASH FLOW STATEMENT

for the year ended March 31, 2017

(₹ in Crore unless otherwise stated)

	Year ended March 31, 2017	Year ended March 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) before Tax</b>	(154.11)	(188.33)
Depreciation, Amortization and Impairment	300.76	254.49
Amount no longer payable written back	(0.18)	(4.13)
Allowance for doubtful Debts (Net)	41.15	49.86
Impairment of doubtful advances	0.11	0.12
Provision for leave encashment and gratuity	(3.81)	4.17
Share of loss from LLP	0.75	0.35
Net Sundry advances written off	1.44	0.02
Employee share-based payment expense	(0.01)	(0.06)
Unrealised foreign exchange loss / (gain)	(2.36)	(0.12)
MTM loss on swap	(11.69)	13.51
Allowance for doubtful advances / investments / receivables from entities under control / significant influence	10.96	32.60
Provision for Entertainment Tax Reversed	(9.70)	-
Loss on disposal of Property, Plant and Equipment	2.04	3.26
Gain/Loss on sale of investments	1.99	-
Unwinding of Interest & Financial Guarantees	(3.76)	(2.99)
Income from Investments / Fixed Deposit	(1.93)	(3.28)
(Profit)/ Loss on sale of Investment	-	(5.98)
Interest and finance charges	122.00	90.76
	<b>293.65</b>	<b>244.25</b>
<b>Change in operating assets and liabilities :</b>		
Decrease/(increase) in trade receivables	(129.23)	(110.37)
Decrease/(increase) in inventories	(3.46)	(12.15)
Increase/(decrease) in trade payables	(0.49)	29.21
Increase/(decrease) in other financial assets	(9.18)	8.24
Decrease/(increase) in other non-current assets	(33.14)	(4.69)
Decrease/(increase) in other current assets	34.00	(58.43)
Increase/(decrease) in provisions	(13.46)	10.68
Increase/(decrease) in other liabilities	69.25	83.14
Increase/(decrease) in other financial liabilities	84.10	2.63
<b>Cash generated from operations</b>	<b>292.05</b>	<b>192.51</b>
Direct taxes paid (net of refunds)	(19.68)	11.48
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>311.73</b>	<b>181.03</b>
<b>Cash flow from investing activities</b>		
Payments for acquisition of Property, Plant and Equipment	(310.99)	(629.27)
Loans & advances given to Subsidiaries, Joint Ventures, Associate & Others	(38.97)	(35.99)
Loans & advances repaid by Subsidiaries, Joint Ventures, Associate & Others	1.43	1.06
Investment in Subsidiaries, Joint Ventures, Associate & Others	(0.70)	(76.78)
Payments for purchase of investments	-	(539.27)
Proceeds from sale of investments	4.27	634.36
Proceeds from transfer of Cable Television business*	30.00	-
Proceeds from sale of Property, Plant and Equipment	1.41	0.92
Income from Investments / Fixed Deposit	1.41	4.24
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(312.14)</b>	<b>(640.73)</b>

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# CASH FLOW STATEMENT

for the year ended March 31, 2017

(₹ in Crore unless otherwise stated)

	Year ended March 31, 2017	Year ended March 31, 2016
<b>Cash flows from financing activities</b>		
Proceeds from Long Term Borrowings	608.67	755.21
Repayments of Long Term borrowings	(427.85)	(300.54)
Short-term borrowings (Net)	(67.67)	91.02
Interest and finance charges	(127.49)	(87.85)
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>(14.34)</b>	<b>457.84</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(14.75)</b>	<b>(1.86)</b>
Cash and cash equivalents at the beginning of the year	27.20	20.41
Bank overdrafts	(18.65)	(10.00)
<b>Cash and cash equivalents at the end of the year</b>	<b>(6.21)</b>	<b>8.54</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement :</b>		
Cash and cash equivalents		
Balances with banks:		
On current accounts	12.74	22.79
Cheques/drafts on hand	-	0.57
Cash on hand	1.05	3.84
Bank overdrafts	(20.00)	(18.65)
<b>Balance as per the cash flow statement :</b>	<b>(6.21)</b>	<b>8.54</b>

\* Refer Note No. 4.23

**Note :**

Above statement has been prepared by using Indirect method as per Ind AS - 7 on Statement of Cash flows.

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

**(Vinayak Aggarwal)**

Director

DIN : 00007280

**(Rajan Gupta)**

DIN : 07603128

Managing Director

**(Ajay Singh)**Head Legal, Company Secretary  
and Chief Compliance Officer

FCS - 5189

**(Vineet Garg)**

Chief Financial Officer

Place: Mumbai

Date : May 30, 2017

Place: Mumbai

Date : May 30, 2017

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## BACKGROUND

Hathway Cable and Datacom Limited (“the Company”) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. During the year, the Company carried on its activities as Multi System Operator (MSO) and engaged in distribution of television channels through analog and digital cable distribution network and internet services through cable. As stated in note no 4.23, the cable television business was transferred to a wholly owned subsidiary. Its equity shares are listed on National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange Limited (BSE) in India.

Authorization of standalone financial statements

The standalone financial statements were authorized for issue in accordance with a resolution of the directors on May 30, 2017.

## 1.00 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

### 1.01 BASIS OF PREPARATION

#### (i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”), and relevant rules issued thereunder. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

The standalone financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) (“previous GAAP”) and other relevant provisions of the Act.

These standalone financial statements are the first standalone financial statements of the Company under Ind AS. Refer note 4.25 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company’s financial position, financial performance and cash flows. The date of transition to Ind AS is April 1, 2015.

#### (ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) is measured at fair value;
- assets held for sale – measured at fair value less cost to sell; and
- defined benefit plans – plan assets measured at fair value

### 1.02 ROUNDING OF AMOUNTS

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest crores, except where otherwise indicated.

### 1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current if:

- (i) it is expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is expected to be realised within twelve months after the reporting period, or
- (iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

A liability is classified as current if:

- (i) it is expected to be settled in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is due to be settled within twelve months after the reporting period, or
- (iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities on net basis.

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle. Based on the nature of operations, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

### 1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

While preparing standalone financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as below:

#### Key sources of estimation uncertainty

- (i) Financial instruments; (Refer note 4.14)
- (ii) Useful lives of Property, Plant and Equipment and intangible assets; (Refer note 1.05)
- (iii) Valuation of inventories; (Refer note 1.09)
- (iv) Assets and obligations relating to employee benefits; (Refer note 4.08)
- (v) Expected customer relationship period (i.e. expected life of the customer); (Refer note 1.16)
- (vi) Evaluation of recoverability of deferred tax assets; (Refer note 2.07) and
- (vii) Contingencies (Refer note 4.02 and 4.05).

#### Critical accounting judgements

The Company has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities have been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements and Ind AS 111 – Joint Arrangements. Accordingly, the entities mentioned below are considered as Joint ventures.

- (i) GTPL Hathway Ltd (Formerly known as GTPL Hathway Pvt Ltd)
- (ii) Hathway Sai Star Cable and Datacom Pvt Ltd
- (iii) Hathway Digital Saharanpur Cable and Datacom Pvt Ltd
- (iv) Hathway MCN Pvt Ltd

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

- (v) Hathway Channel 5 Cable and Datacom Pvt Ltd
- (vi) Hathway Mysore Cable Network Pvt Ltd (till March 25, 2017 and subsidiary thereafter)
- (vii) Net 9 Online Hathway Pvt Ltd
- (viii) Hathway Cable MCN Nanded Pvt Ltd
- (ix) Hathway Latur MCN Cable and Datacom Pvt Ltd
- (x) Hathway Palampur Cable Network Pvt Ltd
- (xi) Hathway ICE Television Pvt Ltd
- (xii) Hathway Sonali OM Crystal Cable Pvt Ltd
- (xiii) Hathway Dattatray Cable Network Pvt Ltd
- (xiv) Hathway Prime Cable and Datacom Pvt Ltd
- (xv) Hathway New Concept Cable and Datacom Pvt Ltd (till October, 29, 2015 and subsidiary thereafter)
- (xvi) Hathway Software Developers Pvt Ltd (till May 28, 2015 and subsidiary thereafter)
- (xvii) Hathway SS Cable & Datacom LLP

## 1.05 PROPERTY, PLANT AND EQUIPMENT

- (i) Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- (ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.
- (iii) 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.
- (iv) An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.
- (v) The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- (vi) Stores & Spares which meet the definition of Property Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.
- (vii) Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the cost of STBs & Internet Access devices at the customer location which are depreciated on straight-line method over a period of eight years based on internal technical assessment.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

- (viii) In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- (ix) All assets costing up to ₹ 5,000/- are fully depreciated in the year of capitalisation.
- (x) Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

### 1.06 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

#### **Intangible Assets acquired separately**

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

Intangible assets with finite useful lives that are acquired are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortization and impairment losses.

#### **Intangible Assets acquired in business combination**

Intangible Assets acquired in business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost)

#### **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

#### **Amortisation of intangible assets**

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Intangible assets with finite useful lives are amortized on a straight line basis over their useful economic lives and assessed for impairment whenever there is indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows:

- Softwares are amortized over the license period and in absence of such tenor, over five years.
- Movie & Serial Rights are amortized on exploitation over the balance license period in equal installments.
- Bandwidth Rights are amortized over the period of the underlying agreements.
- Channel Design are amortized over the period of five years.

The estimated useful lives, residual values, amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## 1.07 IMPAIRMENT OF ASSETS

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Ventures and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 1.08 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

## 1.09 INVENTORIES

Inventories are valued as follows:

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

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

## 1.10 CASH AND CASH EQUIVALENTS

For the purpose of Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 1.11 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### **Initial Recognition and Measurement – Financial Assets and Financial Liabilities**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

### **Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

#### **Amortised Cost:**

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **FVTOCI:**

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **FVTPL:**

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### **Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### **Classification and Subsequent measurement: Financial Liabilities**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

## Derecognition of Financial Assets and Financial Liabilities:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

## Offsetting Financial Instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 1.12 INVESTMENT IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

A subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following: (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries, associates and joint ventures are accounted at cost and reviewed for impairment at each reporting date.

## 1.13 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 1.14 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

**Contingent liabilities are disclosed in the case of:**

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

### 1.15 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

**(i) Short-term obligations**

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of profit & loss of the year in which the related services are rendered.

**(ii) Post-employment obligations**

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

**Defined contribution plans**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iii) Other long-term employee benefit obligations**

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

## (iv) Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## 1.16 REVENUE RECOGNITION

### (i) Income from Rendering of services

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.

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.

Activation fee, which in substance is an advance payment for future services or the ongoing services being provided are essential to the subscribers receiving the expected benefit of the upfront payment of activation fee. Accordingly, activation fee is earned as services are provided and deferred over the expected customer relationship period (i.e. expected life of the customer).

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 Internet Service plans, entire revenue is recognized in the period of sale.

Advertisement revenue is accrued on release of the advertisement for public viewing.

Income from service does not include Service Tax (ST).

Consultancy Income:

Revenue from consulting services is recognized when the services are completed.

Rental income:

The Company's policy for recognition of revenue from operating leases is described in note below on Leases.

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

### (ii) Sale of goods

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

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.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### (iii) 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.

### (iv) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

### (v) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

## 1.17 TAXES ON INCOME

### Current Tax:

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax:

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities.

## 1.18 EARNINGS PER SHARE (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing cost associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 1.19 LEASES

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

### As a Lessee

#### Finance Lease

Leases of Property, Plant and Equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

#### Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

## 1.20 FOREIGN CURRENCY TRANSACTIONS

### (i) Functional and presentation currency

The Company's standalone financial statements are prepared in INR, which is also the Company's functional and presentation currency.

### (i) Transactions and balances

#### Monetary items:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss.

#### Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## 1.21 BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs which are administrative in nature are expensed out.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies. The financial information in the standalone financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the standalone financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

## 1.22 FIRST TIME ADOPTION - MANDATORY EXCEPTIONS, OPTIONAL EXEMPTIONS

### Overall principle

The Company has prepared the opening standalone Balance Sheet as per Ind AS as of the transition date by

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

### Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

### Past business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015. Consequently,

- The Company has kept the same classification for the past business combinations as in its previous GAAP standalone financial statements;
- The Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquiree and would also not qualify for recognition in accordance with Ind AS in the balance sheet of the Company;
- The Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Company has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## Deemed cost for Property, Plant and Equipment and intangible assets

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and intangible assets recognised as of the transition date measured as per the previous GAAP and use that carrying value as it's deemed cost as of the transition date.

## Deemed cost on investments in subsidiaries, joint ventures and associates

The Company has elected to selectively use fair value of its investments in certain subsidiaries as the deemed cost of investments and has elected to continue with the carrying value of its investments in remaining subsidiaries, joint ventures and associates recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the investments in subsidiaries, joint ventures and associates.

## Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

## Long term foreign currency monetary item

The Company has continued with the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements prepared under previous GAAP for the year ended March 31, 2016.

## Share based payment transaction

The Group has availed the exemption of not applying Ind AS 102- Share based payment to equity instruments that vested before date of transition to Ind AS.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## 2.01 PROPERTY, PLANT AND EQUIPMENT:

(Amount: ₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount			Depreciation / Impairment			Net Block			
	As at April 1, 2016	Addition	Disposal*	Other Adjustments	As at March 31, 2017	For the Year	Elimination on disposal*	Other adjustments	As at March 31, 2017	As at March 31, 2016
<b>Own Assets:</b>										
Plant and Equipment	1,400.94	448.05	1,237.33	67.46	679.12	243.28	364.24	12.89	600.64	1,214.39
Air conditioners	3.07	1.94	2.22	-	2.78	0.68	0.90	-	2.01	2.39
Structural fittings	1.06	0.60	0.49	-	1.17	0.21	0.30	-	0.82	0.85
Furniture & Fixtures	9.59	6.07	6.94	-	8.71	1.90	1.43	-	6.65	8.00
Mobile & Telephone	0.69	0.27	0.55	-	0.41	0.24	0.29	-	0.45	0.45
Computers	6.14	2.75	3.12	-	5.77	2.31	1.50	-	3.25	4.42
Office Equipments	1.79	1.16	1.34	-	1.61	0.47	0.63	-	1.01	1.32
Electrical Fittings	2.55	2.53	2.19	-	2.89	0.39	0.36	-	2.24	2.16
Motor Vehicles	1.07	0.02	0.51	-	0.58	0.13	0.15	-	0.45	0.92
Movie Master Tapes	0.01	-	0.01	-	-	-	-	-	-	0.01
<b>Total (A)</b>	<b>1,426.91</b>	<b>463.39</b>	<b>1,254.70</b>	<b>67.46</b>	<b>703.04</b>	<b>250.28</b>	<b>369.43</b>	<b>12.89</b>	<b>617.32</b>	<b>1,234.91</b>
Assets taken on Finance Lease:										
Plant and Equipment	137.62	-	70.16	(67.46)	-	20.86	13.40	(12.89)	-	116.76
<b>Total (B)</b>	<b>137.62</b>	<b>-</b>	<b>70.16</b>	<b>(67.46)</b>	<b>-</b>	<b>20.86</b>	<b>13.40</b>	<b>(12.89)</b>	<b>-</b>	<b>116.76</b>
<b>Total (A+B)</b>	<b>1,564.53</b>	<b>463.39</b>	<b>1,324.86</b>	<b>-</b>	<b>703.04</b>	<b>212.86</b>	<b>390.80</b>	<b>-</b>	<b>617.32</b>	<b>1,351.67</b>

\* Include assets transferred through slump sale (Refer Note 4.23).

Particulars	Gross Carrying Amount			Depreciation / Impairment			Net Block			
	As at April 1, 2015	Addition	Disposal	Other Adjustments	As at March 31, 2016	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2016	As at April 1, 2015
<b>Own Assets:</b>										
Plant and Equipment	995.58	417.03	17.00	5.33	1,400.94	197.50	11.33	0.38	186.55	995.58
Air conditioners	2.09	1.08	0.10	-	3.07	0.71	0.03	-	0.68	2.09
Structural fittings	0.86	0.21	0.01	-	1.06	0.22	0.01	-	0.21	0.86
Furniture & Fixtures	6.84	2.82	0.07	-	9.59	1.62	0.03	-	1.59	6.84
Mobile & Telephone	0.26	0.43	0.00	-	0.69	0.24	0.00	-	0.24	0.26
Computers	3.33	2.83	0.02	-	6.14	1.74	0.02	-	1.72	3.33
Office Equipments	0.98	0.81	0.00	-	1.79	0.47	0.00	-	0.98	1.32
Electrical Fittings	1.80	0.77	0.02	-	2.55	0.41	0.02	-	0.39	1.80
Motor Vehicles	0.67	0.43	0.03	-	1.07	0.15	0.00	-	0.15	0.67
Movie Master Tapes	0.01	-	-	-	0.01	-	-	-	-	0.01
<b>Total (A)</b>	<b>1,012.42</b>	<b>426.41</b>	<b>17.25</b>	<b>5.33</b>	<b>1,426.91</b>	<b>203.06</b>	<b>11.44</b>	<b>0.38</b>	<b>192.00</b>	<b>1,012.42</b>
Assets taken on Finance Lease:										
Plant and Equipment	142.95	-	-	(5.33)	137.62	21.24	-	(0.38)	20.86	142.95
<b>Total (B)</b>	<b>142.95</b>	<b>-</b>	<b>-</b>	<b>(5.33)</b>	<b>137.62</b>	<b>21.24</b>	<b>-</b>	<b>(0.38)</b>	<b>20.86</b>	<b>142.95</b>
<b>Total (A+B)</b>	<b>1,155.37</b>	<b>426.41</b>	<b>17.25</b>	<b>-</b>	<b>1,564.53</b>	<b>224.30</b>	<b>11.44</b>	<b>-</b>	<b>212.86</b>	<b>1,155.37</b>

### Notes :

- During the year the Company has reclassified Assets under Finance Lease amounting to ₹ 67.46 (March 31, 2016: ₹ 5.33) (Gross Block) and ₹ 12.89 (March 31, 2016: ₹ 0.38) (Depreciation) as Owned Assets on completion of the lease period.
- Gain of ₹ 1.90 arising on account of exchange difference on long-term foreign currency borrowings, utilised for purchase of Property, Plant and Equipments has been decapitalised and reduced from "Additions" (March 31, 2016 : Loss of ₹ 38.37 arising on account of exchange difference on long-term foreign currency borrowings, utilised for purchase of Property, Plant and Equipments has been capitalised and included under the head "Additions"). The Company has also capitalized exchange gain / (loss) amounting to ₹ Nil (March 31, 2016: ₹ 0.86) arising on long-term foreign forward contract undertaken to partially hedge the foreign current loan to the cost of plant and equipments.
- Depreciation charge for the year includes Impairment of Plant and Machinery ₹ 9.63 (March 31, 2016: ₹ 5.26).
- Depreciation charge for the year includes Impairment of Other Assets ₹ Nil (March 31, 2016: ₹ 0.02).

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## 2.02 INTANGIBLE ASSETS :

(Amount: ₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount				Amortisation / Impairment				Net Block		
	As at April 1, 2016	Addition	Disposal*	Other Adjustments	As at March 31, 2017	For the Year	Elimination on disposal*	Other adjustments	As at March 31, 2017	As at March 31, 2016	
Goodwill	4.92	0.19	5.00	-	0.11	0.71	1.35	-	0.09	0.02	4.19
Cable Television Franchise	37.11	-	31.06	-	6.05	4.40	8.04	-	1.09	4.96	32.38
Movie & Serial Rights	10.40	6.13	16.53	-	-	7.41	11.63	-	-	-	6.18
Softwares	57.32	24.29	68.38	-	13.23	22.84	38.05	-	4.25	8.98	37.86
Bandwidth Rights	13.81	6.72	18.58	-	1.95	1.51	2.22	-	0.34	1.61	12.76
Channel Design	-	1.21	1.21	-	-	0.20	0.20	-	-	-	-
<b>Total</b>	<b>123.56</b>	<b>38.54</b>	<b>140.76</b>	<b>-</b>	<b>21.34</b>	<b>37.07</b>	<b>61.49</b>	<b>-</b>	<b>5.77</b>	<b>15.57</b>	<b>93.37</b>

\* Include assets transferred through slump sale (Refer Note 4.23).

Particulars	Gross Carrying Amount				Amortisation / Impairment				Net Block		
	As at April 1, 2015	Addition	Disposal	Other Adjustments	As at March 31, 2016	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2016	As at April 1, 2015	
Goodwill	4.92	-	-	-	4.92	0.73	-	-	0.73	4.19	4.92
Cable Television Franchise	37.11	-	-	-	37.11	4.73	-	-	4.73	32.38	37.11
Movie & Serial Rights	9.01	1.39	-	-	10.40	4.22	-	-	4.22	6.18	9.01
Softwares	53.55	3.77	**	-	57.32	19.46	**	-	19.46	37.86	53.55
Bandwidth Rights	12.51	1.30	-	-	13.81	1.05	-	-	1.05	12.76	12.51
Channel Design	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>117.10</b>	<b>6.46</b>	<b>-</b>	<b>-</b>	<b>123.56</b>	<b>30.19</b>	<b>-</b>	<b>-</b>	<b>30.19</b>	<b>93.37</b>	<b>117.10</b>

\*\*Amount less than ₹ 50,000/-

### Notes :

- Amortisation charge for the year includes Impairment of Cable Television Franchise ₹ 1.02 (March 31, 2016: ₹ 1.14).
- Range of remaining period of amortisation as at March 31, 2017 of intangible assets is as below :

	Range of remaining period of amortisation as at March 31, 2017				Total
	0 to 5 years	6 to 10 years	10 to 15 years	Total	
Cable Television Franchise	2.25	2.24	0.48	4.97	
Softwares	8.97	-	-	8.97	
Bandwidth Rights	1.33	0.29	-	1.62	
<b>Total</b>	<b>12.55</b>	<b>2.53</b>	<b>0.48</b>	<b>15.56</b>	

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.03 NON-CURRENT INVESTMENTS

	Face Value ₹ Per Unit	March 31, 2017		March 31, 2016		April 1, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
<b>Investments (measured at cost)</b>							
<b>Investment in Subsidiaries, Joint Ventures and Associates</b>							
<b>Quoted (fully paid up)</b>							
<b>Investment in Equity Shares of Subsidiary</b>							
Hathway Bhawani Cabletel and Datacom Ltd.	10	2,020,000	2.39	2,020,000	2.39	2,020,000	2.39
Less : Impairment in value of investment			0.60		-		-
			<b>1.79</b>		<b>2.39</b>		<b>2.39</b>
<b>Unquoted (fully paid up)</b>							
<b>Investment in Equity Shares of Subsidiaries</b>							
Hathway Digital Pvt. Ltd. (f.k.a. Hathway Datacom Central Pvt. Ltd.)	10	1,734,833	78.67	1,580,900	55.58	1,454,400	55.58
Hathway Krishna Cables Pvt. Ltd.	10	7,808,333	15.41	7,708,333	15.32	6,068,333	10.67
Hathway Mysore Cable Network Pvt. Ltd. #	10	1,041,000	10.09	873,100	9.92	523,100	2.00
Hathway Software Developers Pvt. Ltd. ##	10	758,000	9.53	553,000	9.32	268,000	1.21
UTN Cable Communications Pvt. Ltd.	10	756,000	4.94	631,500	4.81	631,500	4.81
Hathway Kokan Crystal Cable Network Pvt. Ltd.	10	145,135	4.68	145,135	4.68	49,394	3.66
Hathway New Concept Cable & Datacom Pvt. Ltd. ###	10	150,000	3.23	50,000	3.13	25,500	3.11
Hathway Broadband Pvt. Ltd.	10	2,500,000	2.50	2,500,000	2.50	2,500,000	2.50
Hathway Mantra Cable & Datacom Pvt. Ltd.	10	9,800	2.10	9,800	2.10	9,800	0.01
Hathway Enjoy Cable Network Pvt. Ltd.	10	10,000	0.01	10,000	0.01	10,000	0.01
Hathway Media Vision Pvt. Ltd.	10	65,040	-	65,040	-	65,040	-
Ideal Cables Pvt. Ltd.	10	76,020	-	76,020	-	76,020	-
Channels India Network Pvt. Ltd.	10	87,500	-	87,500	-	87,500	-
Vision India Networks Pvt. Ltd.	10	87,700	-	87,700	-	87,700	-
Hathway CNet Pvt. Ltd.	10	100,000	-	100,000	-	100,000	-
Chennai Cable Vision Network Pvt. Ltd.	10	136,800	-	136,800	-	136,800	-
Hathway Nashik Cable Network Pvt. Ltd.	10	45,300	-	45,300	-	45,300	-
Bee Network & Communication Pvt. Ltd.	10	99,989	-	99,989	-	99,989	-
Win Cable and Datacom Pvt. Ltd.	10	200,000	-	200,000	-	200,000	-
Elite Cable Network Pvt. Ltd.	10	48,000	-	48,000	-	48,000	-
Hathway Space Vision and Cabletel Pvt. Ltd.	10	10,020	-	10,020	-	10,020	-
Hathway Gwalior Cable & Datacom Pvt. Ltd.	10	10,000	-	10,000	-	10,000	-
Hathway JMD Farukabad Cable & Datacom Pvt. Ltd.	10	10,000	-	10,000	-	10,000	-
Binary Technology Transfers Pvt. Ltd.	100	1,000	-	1,000	-	1,000	-
Hathway Internet Satellite PrivateLtd.	10	10,000	-	10,000	-	10,000	-
Hathway United Cables Pvt. Ltd.	10	10,000	-	10,000	-	10,000	-
Hathway Universal Cabletel and Datacom Pvt. Ltd.	100	202,214	-	202,214	2.01	1,000	-
ITV Interactive Media Pvt. Ltd.	100	8,250	-	8,250	-	8,250	-
Liberty Media Vision Pvt. Ltd.	10	10,000	-	10,000	-	10,000	-
			<b>131.16</b>		<b>109.38</b>		<b>83.56</b>
<b>Investment in Equity Shares of Joint Venture</b>							
GTPL Hathway Ltd. (f.k.a. GTPL Hathway Pvt. Ltd.)	10	49,172,694	666.11	49,172,694	666.11	1,000,000	634.68
Hathway Sai Star Cable & Datacom Pvt. Ltd.	10	68,850	10.40	68,850	10.40	68,850	10.52
Hathway MCN Pvt. Ltd.	10	963,000	8.01	963,000	8.01	963,000	8.01
Hathway Sonali Om Crystal Cable Pvt. Ltd.	10	51,000	5.27	51,000	5.28	51,000	5.87
Net 9 Online Hathway Pvt. Ltd.	10	5,000	2.01	5,000	2.01	5,000	2.01
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	10	71,175	2.01	71,175	2.01	71,175	2.01
Hathway Dattatray Cable Network Pvt. Ltd.	10	20,400	1.56	20,400	1.56	20,400	1.65
Hathway Cable MCN Nanded Pvt Ltd	10	1,305,717	1.37	1,305,717	1.37	1,305,717	1.31
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	10	51,000	0.97	51,000	0.97	51,000	0.92
Hathway Palampur Cable & Datacom Pvt. Ltd.	10	15,300	0.68	15,300	0.68	15,300	0.68
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	10	10,200	0.48	10,200	0.48	10,200	0.48
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	10	249,000	-	249,000	-	249,000	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

	Face Value ₹ Per Unit	March 31, 2017		March 31, 2016		April 1, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
Hathway ICE Television Pvt. Ltd.	10	102,000	-	102,000	-	102,000	-
Hathway Prime Cable & Datacom Pvt. Ltd.	10	229,500	-	229,500	-	229,500	-
Less : Impairment in value of investment			0.48		-		-
			<b>698.39</b>		<b>698.88</b>		<b>668.13</b>
<b>Investment in Equity Shares of Associates</b>							
Hathway VCN Cablenet Pvt. Ltd.	10	12,520	-	12,520	-	12,520	-
Pan Cable Services Pvt. Ltd.	10	10	-	10	-	10	-
<b>Investment in Partnership Firm in the nature of Joint Venture</b>							
Hathway SS Cable & Datacom LLP			1.73		1.73		1.73
<b>Investment (measured at amortised cost)</b>							
<b>Unquoted</b>							
<b>Investment in Preference Shares of Subsidiary (fully paid up)*</b>							
Hathway Digital Pvt. Ltd. (f.k.a. Hathway Datacom Central Pvt. Ltd.)	10	51,020	0.02	51,020	0.02	51,020	0.02
<b>Investment in Government Securities</b>							
National Savings Certificates			0.14		0.14		0.15
<b>Investment in equity shares of other companies (designated at FVTOCI)</b>							
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	-	47,009	-	47,009	-
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	10	60,000	-	60,000	-	60,000	-
Hathway Rajesh Multi Channel Pvt. Ltd.	10	-	-	144,849	4.25	144,849	4.25
			-		<b>4.25</b>		<b>4.25</b>
<b>Total Non-current Investments</b>			<b>833.23</b>		<b>816.78</b>		<b>760.22</b>
<b>Aggregate amount of quoted investments</b>			<b>1.79</b>		<b>2.39</b>		<b>2.39</b>
<b>Market Value of Quoted Investments</b>			<b>0.78</b>		<b>1.41</b>		<b>2.15</b>
<b>Aggregate amount of unquoted investments</b>			<b>831.44</b>		<b>814.39</b>		<b>757.83</b>
<b>Aggregate fair value of investments designated at FVTOCI</b>			-		<b>4.25</b>		<b>4.25</b>
<b>Aggregate amount of impairment in value of investments</b>			<b>1.08</b>		-		-

\* 5% Non-Cumulative Redeemable Preference Shares of ₹ 10 each - The carrying value of the equity component included in investment in 5% Non-cumulative and Redeemable Preference Shares issued by wholly owned subsidiary Hathway Digital Pvt. Ltd. is ₹ 0.02 (As at March 31, 2016 ₹ 0.02, As at April 1, 2015 ₹ 0.02)

# Joint venture upto March 25, 2017 and subsidiary company thereafter.

## Joint venture upto May 28, 2015 and subsidiary company thereafter.

### Joint venture upto October 29, 2015 and subsidiary company thereafter.

## 2.04 TRADE RECEIVABLES

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good unless stated otherwise						
Unsecured, considered good	-	1.08	1.08	24.23	293.11	232.60
Doubtful	-	-	-	16.96	275.37	215.13
	-	<b>1.08</b>	<b>1.08</b>	<b>41.19</b>	<b>568.48</b>	<b>447.73</b>
Less: Allowance for doubtful debts (expected credit loss)	-	-	-	16.96	275.37	215.13
<b>Total</b>	-	<b>1.08</b>	<b>1.08</b>	<b>24.23</b>	<b>293.11</b>	<b>232.60</b>

**Note:** No amount is receivable from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 2.05 LOANS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>LOANS TO RELATED PARTIES</b>						
Unsecured, considered good unless stated otherwise						
Loan to Subsidiaries, Joint Ventures and Associates	10.70	31.53	4.81	73.56	34.70	11.68
Loan to Firm in which Subsidiaries are partner	0.21	-	-	-	-	-
Doubtful	69.05	60.21	60.21	-	-	-
Less : Allowance for bad and doubtful loans	69.05	60.21	60.21	-	-	-
<b>(A)</b>	<b>10.91</b>	<b>31.53</b>	<b>4.81</b>	<b>73.56</b>	<b>34.70</b>	<b>11.68</b>
<b>OTHERS LOANS</b>						
Unsecured, considered good unless stated otherwise						
Loans to employees <b>(B)</b>	-	-	0.00	-	0.05	0.35
Others	-	0.18	0.34	-	0.31	0.05
Doubtful	-	6.09	6.09	-	-	-
Less : Allowance for bad and doubtful loans	-	6.09	6.09	-	-	-
<b>(C)</b>	<b>-</b>	<b>0.18</b>	<b>0.34</b>	<b>-</b>	<b>0.36</b>	<b>0.40</b>
<b>Total (A+B+C)</b>	<b>10.91</b>	<b>31.71</b>	<b>5.15</b>	<b>73.56</b>	<b>35.06</b>	<b>12.08</b>

**Note :** No amount is due from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.

Further information about these loans is set out in note no. 4.14 and 4.16. These financial assets are carried at amortised cost.

### 2.06 OTHER FINANCIAL ASSETS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Share Application Money	0.26	30.35	44.54	-	-	-
Security Deposits	7.33	20.32	17.63	3.02	5.73	0.76
Bank deposits with more than 12 months maturity	10.52	29.82	60.15	-	-	-
Accrued Interest	-	-	-	0.18	0.13	1.09
Other Receivables	-	-	-	0.48	0.62	1.50
Receivable from Hathway Digital Pvt. Ltd. (Refer note 4.23)	-	-	-	272.00	-	-
<b>Total</b>	<b>18.11</b>	<b>80.49</b>	<b>122.32</b>	<b>275.68</b>	<b>6.48</b>	<b>3.35</b>

**Note:** No amount is due from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member except security deposit of ₹ 3.68 given for premises taken on lease from the directors.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.07 DEFERRED TAX ASSETS (NET)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Deferred tax assets in relation to :</b>			
Unabsorbed Depreciation / Business loss as per Income Tax	8.96	68.93	74.34
	<b>8.96</b>	<b>68.93</b>	<b>74.34</b>
<b>Deferred tax liabilities in relation to :</b>			
Property, Plant and Equipment	8.96	68.93	74.34
	<b>8.96</b>	<b>68.93</b>	<b>74.34</b>
<b>NET DEFERRED TAX ASSET</b>	-	-	-

The Company has substantial unused tax losses and unused tax credits. The deferred tax assets relating to such deductible temporary differences, carry forward unused tax losses and carry forward unused tax credits is significantly higher than deferred tax liabilities. On conservative approach, the Company has recognized deferred tax assets on unabsorbed depreciation only to the extent of its deferred tax liabilities.

### Unrecognised deductible temporary differences, unused tax losses and unused tax credits on which deferred tax assets has not being recognised

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	Beyond 5 years	Indefinite	Total
<b>Tax Losses:</b>								
Unabsorbed depreciation	-	-	-	-	-	-	258.39	<b>258.39</b>
Business losses	9.86	5.78	-	-	-	1.08	-	<b>16.71</b>
Other Deductible temporary difference	-	-	-	-	-	-	6.89	<b>6.89</b>
<b>Total</b>	<b>9.86</b>	<b>5.78</b>	-	-	-	<b>1.08</b>	<b>265.28</b>	<b>281.99</b>

## 2.08 OTHER ASSETS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>CAPITAL ADVANCES</b>						
Unsecured, considered good unless stated otherwise						
Network Acquisitions	0.03	10.74	11.00	-	-	-
Advance to Suppliers	12.43	32.84	4.22	-	-	-
Doubtful	0.82	0.82	0.82	-	-	-
Less: Allowance for bad & doubtful advances	0.82	0.82	0.82	-	-	-
	<b>(A)</b>	<b>12.46</b>	<b>43.58</b>	<b>15.22</b>	-	-
<b>ADVANCES OTHER THAN CAPITAL ADVANCES</b>						
Unsecured, considered good unless stated otherwise						
Prepaid expenses	3.17	5.37	2.15	4.75	16.09	10.72
Staff Advances	-	0.11	0.11	-	0.38	0.44
Sundry Advances	-	8.99	10.59	19.69	91.35	47.39
Prepaid Rent	0.58	2.34	2.26	-	-	-
<b>Balance with Government authorities:</b>						
Service Tax Claimable	-	-	-	27.93	46.55	37.52
Advance Income Tax (Net of Provision)	34.38	58.77	42.69	-	-	-
Deposits paid under Protest	16.38	11.17	8.19	-	-	-
Other Receivables	-	-	-	0.48	1.27	1.13

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Doubtful	0.38	2.58	2.46	-	-	-
Less: Allowance for bad & doubtful advances	0.38	2.58	2.46	-	-	-
<b>(B)</b>	<b>54.51</b>	<b>86.75</b>	<b>65.99</b>	<b>52.85</b>	<b>155.64</b>	<b>97.20</b>
<b>Total (A+B)</b>	<b>66.97</b>	<b>130.33</b>	<b>81.21</b>	<b>52.85</b>	<b>155.64</b>	<b>97.20</b>

**Note:** No amount is due from any of the directors or officers of the Company, severally or jointly with any other person, or from firms where such director is a partner or from private companies where such director is a member.

### 2.09 INVENTORIES

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Stock of Spares & Maintenance Items	20.12	18.17	6.02
<b>Total</b>	<b>20.12</b>	<b>18.17</b>	<b>6.02</b>

### 2.10 CURRENT INVESTMENTS

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Investments measured at fair value through profit and loss account - Quoted</b>			
Investment in Debt Market Mutual Funds	-	-	89.30
<b>Total</b>	<b>-</b>	<b>-</b>	<b>89.30</b>
Aggregate amount of quoted investments	-	-	89.11
Market Value of quoted Investments	-	-	89.30

### 2.11 CASH AND CASH EQUIVALENTS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Cash &amp; Cash Equivalents</b>						
<b>Balances with banks:</b>						
In Current Accounts	-	-	-	12.74	22.79	17.20
Cheques/drafts on Hand	-	-	-	-	0.57	0.13
Cash in hand	-	-	-	1.05	3.84	3.08
	-	-	-	<b>13.79</b>	<b>27.20</b>	<b>20.41</b>
<b>Other Bank Balance</b>						
Margin money deposit*	10.52	29.82	60.15	-	-	-
	<b>10.52</b>	<b>29.82</b>	<b>60.15</b>	-	-	-
Less: Amount disclosed under non current asset (Refer Note 2.06)	10.52	29.82	60.15	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.79</b>	<b>27.20</b>	<b>20.41</b>

\* Marked under lien in favour of Banks

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## Disclosure on Specified Bank Notes (SBN)

The details of SBNs held and transacted during the period November 8, 2016 to December 30, 2016, pursuant to MCA notification no G.S.R. 308(E) dated March 30, 2017 are as under :

	SBNs	Other denomination notes	Total
<b>Closing cash in hand as on November 08, 2016</b>	<b>128,354,500</b>	<b>3,122,986</b>	<b>131,477,486</b>
(+) Withdrawals from banks	-	5,181,760	5,181,760
(+) Permitted Receipts	-	242,053,324	242,053,324
(-) Permitted Payments	22,500	6,627,059	6,649,559
(-) Amount deposited in banks	128,332,000	234,304,252	362,636,252
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>9,426,759</b>	<b>9,426,759</b>

Explanation : The term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

## 2.12 CURRENT TAX ASSETS (NET)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Current tax assets</b>			
Advance Income Tax (Net of Provisions)	23.34	18.63	23.22
<b>Total</b>	<b>23.34</b>	<b>18.63</b>	<b>23.22</b>

## 2.13 EQUITY SHARE CAPITAL

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Authorised Capital</b>			
999,000,000 (March 31, 2016: 999,000,000, April 1, 2015: 999,000,000) Equity Shares of ₹ 2 each	199.80	199.80	199.80
<b>Total</b>	<b>199.80</b>	<b>199.80</b>	<b>199.80</b>
<b>Issued, Subscribed and Paid up Capital</b>			
830,494,500 (March 31, 2016: 830,494,500, April 1, 2015: 830,494,500) Equity Shares of ₹ 2 each fully paid-up	166.10	166.10	166.10
<b>Total</b>	<b>166.10</b>	<b>166.10</b>	<b>166.10</b>

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

	March 31, 2017		March 31, 2016		April 1, 2015	
	Number	Amount	Number	Amount	Number	Amount
<b>Equity Shares of ₹ 2 each</b>						
Shares Outstanding at the beginning of the year	830,494,500	166.10	830,494,500	166.10	830,494,500	166.10
Shares Outstanding at the end of the year	<b>830,494,500</b>	<b>166.10</b>	<b>830,494,500</b>	<b>166.10</b>	<b>830,494,500</b>	<b>166.10</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

The Company has issued only one class of equity shares having face value of ₹ 2 (March 31, 2016 : ₹ 2, April 1, 2015 : ₹ 2) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

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

Name of the Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares held ₹ 2 each	% of Holding	No. of Shares held ₹ 2 each	% of Holding	No. of Shares held ₹ 2 each	% of Holding
<b>Equity Shares of ₹ 2 each</b>						
Mr. Akshay Raheja	121,413,000	14.62	121,413,000	14.62	121,413,000	14.62
Mr. Viren Raheja	119,553,000	14.40	119,553,000	14.40	119,553,000	14.40
Hathway Investments Private Limited	81,845,015	9.85	81,845,015	9.85	81,845,015	9.85
CLSA Global Markets Pte. Ltd.	79,458,924	9.57	*	*	*	*
P6 Mauritius India Holding Limited	70,717,760	8.52	70,717,760	8.52	70,717,760	8.52
Macquarie Bank limited	*	*	*	*	78,232,133	9.42
P5 Asia Holding Investments (Mauritius) Limited	52,783,220	6.36	52,783,220	6.36	*	*
Reliance Capital Trustee Co. Limited (A/C Reliance Equity Opportunities Fund)	*	*	*	*	42,245,525	5.09

\* Holding was less than 5 %

**d) Shares reserved for issue under options**

Nil equity shares (March 31, 2016 : 5,000 equity shares, April 1, 2015 : 142,000 equity shares) of ₹ 2 (March 31, 2016: ₹ 2, April 1, 2015 : ₹ 2) each towards outstanding employees stock option granted/ available for grant. Refer Note 4.07

### 2.14 OTHER EQUITY

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Retained earnings	(1,065.61)	(911.81)	(720.73)
Securities Premium	1,877.01	1,877.01	1,877.01
Employees Stock Options Outstanding Account (Refer Note 4.07)	-	0.01	0.07
<b>Total</b>	<b>811.39</b>	<b>965.21</b>	<b>1,156.35</b>

**Description of the nature and purpose of each reserve within equity is as follows:**
**(a) Retained Earning :**

Retained earnings are the losses that the Company has incurred till date.

**(b) Securities Premium :**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.15 NON-CURRENT BORROWINGS

	Non Current portion			Current maturities of long term debts		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Term Loans</b>						
<b>Secured</b>						
From Banks	46.07	203.24	194.52	30.20	106.07	-
From Financial Institutions	45.65	-	75.00	3.57	-	-
From Others	272.78	94.97	44.97	44.65	-	-
<b>FCNR loan from Banks</b>						
<b>Secured</b>	8.52	77.39	-	18.52	-	-
<b>Buyers Credit</b>						
<b>Secured</b>	213.16	368.46	194.37	104.03	269.01	255.55
<b>Unsecured</b>	-	205.51	110.79	7.34	-	-
<b>Finance Lease Obligations</b>						
<b>Secured</b>	-	21.04	49.95	-	28.91	57.14
	<b>586.18</b>	<b>970.61</b>	<b>669.60</b>	<b>208.31</b>	<b>403.99</b>	<b>312.69</b>
Less: Amount disclosed under the head 'Other Financial Liabilities' (Note No. 2.17)						
- Current maturities of Long-Term Debts				208.31	375.09	255.55
- Current maturities of Finance Lease Obligations				-	28.91	57.14
<b>Net Amount</b>	<b>586.18</b>	<b>970.61</b>	<b>669.60</b>	<b>-</b>	<b>-</b>	<b>-</b>

## CURRENT BORROWINGS

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Loans repayable on demand</b>			
<b>Secured</b>			
Working Capital Loans repayable on demand from a bank	-	25.00	35.00
Cash Credit with banks	20.00	52.79	51.77
Overdraft with bank	20.00	18.66	10.00
<b>Unsecured</b>			
From Banks	-	100.00	-
Loans & Advances from Related Parties	2.40	2.40	2.40
<b>Total</b>	<b>42.40</b>	<b>198.85</b>	<b>99.17</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
	<b>NON-CURRENT BORROWINGS</b>							
<b>1</b>	<b>Term Loan from Banks</b>							
<b>1.1</b>	<b>Yes Bank Ltd.</b>							
	i Secured by pari passu hypothecation of present & future movable and immovable Fixed Assets	Principal repayable in 14 equal quarterly installments with 1st installment due 18 months after the date of drawdown i.e. April 04, 2014. Interest is payable on monthly basis. Applicable Rate of Interest is 11.50%.	8.12	8.12	77.14	38.57	115.71	-
	ii Secured by pari passu hypothecation of present & future Current Assets							
<b>1.2</b>	<b>Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd.)</b>							
	i Secured by pari passu hypothecation of present & future movable and immovable Fixed Assets	Principal repayable on completion of 3 years from the date of drawdown i.e. (Tranche I - May 28, 2014 for ₹ 20.00, Tranche II - July 24, 2014 for ₹ 15.00). Interest is payable on monthly basis. Applicable Rate of Interest is 6 Months MCLR + 2.25%.	-	6.42	35.00	15.00	50.00	-
	ii Secured by pari passu hypothecation of present & future Current Assets							
<b>1.3</b>	<b>Axis Bank Ltd.</b>							
	i Secured by pari passu hypothecation of present & future movable and immovable Fixed Assets	Principal repayable in 12 equal quarterly installments with 1st installment due after 36 months after the date of drawdown to be paid at the end of each quarter. Applicable rate of Interest is Axis Bank Base rate + 1.65%.	9.12	-	25.00	-	-	-
	ii Secured by pari passu hypothecation of present & future Current Assets							
<b>1.4</b>	<b>Kotak Mahindra Bank Ltd.</b>							
	i Secured by pari passu hypothecation of present & future movable and immovable Fixed Assets	Principal repayable in 16 equal quarterly installments with 1st installment due 12 months after the date of drawdown. Applicable rate of Interest is 6 Months MCLR + 2.25%.	5.47	1.82	20.00	-	-	-
	ii Secured by first pari passu hypothecation of present & future Current Assets							
<b>1.5</b>	<b>IDFC Bank Ltd. (formerly IDFC Ltd.)</b>							
	i Secured by pari passu hypothecation of the present & future movable & immovable Fixed Assets	Principal repayable in 16 equal quarterly installments of ₹ 9.38 commencing from 15th April 2015. Interest is payable on monthly basis. Applicable Rate of Interest is IDFC Bank Ltd. Base rate + 2%.	-	5.64	37.50	37.50	75.00	-
	ii Secured by pari passu hypothecation of the present & future Current Assets							
	iii Secured by pari passu first charge on present & future book debts, operating cash flows, receivables, revenues of whatsoever nature.							
	iv Secured by first charge on the uncalled capital							
	v Lien on Fixed Deposits with Bank of ₹ 2.08 (March 31, 2016: ₹ 22.23)							
<b>1.6</b>	<b>RBL Bank Ltd</b>							
	i Secured by first pari passu charge by way of hypothecation of present & future movable and immovable Fixed Assets.	Principal Repayable at below terms a) 10% to be paid at the end of 12 months from the date of first drawdown b) 5% at the end of 18 months and thereafter equal quarterly installments till the maturity of the Loan Applicable Rate of interest is RBL Base rate + 0.45%	19.17	5.12	-	-	-	-
	ii Secured by first pari passu charge by way of hypothecation of present & future Current Assets.							
<b>1.7</b>	<b>ICICI Bank Ltd</b>							
	i Secured by first pari passu Charge on Fixed Assets, present & future.	Equated Quarterly Repayment starting from 27th Month from the date of each drawdown of Buyers credit. No repayment to exceed 5 years from the date of first drawdown. Applicable Rate of interest is one Year IMCLR + 2.8%	4.74	3.39	-	-	-	-
	ii Secured by first pari passu Charge on Current Assets.							

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>2</b>	<b>Term Loan From Financial Institutions</b>							
<b>2.1</b>	<b>SREI Infrastructure Finance Ltd</b>							
	i Secured by first Pari Passu Charge on movable & immovable fixed assets, present & future	R repayment in 14 equal quarterly installments after a moratorium of 6 quarters from the date of first disbursement. Applicable Rate of interest is SREI Benchmark Rate - 6.25%	46.45	3.57	-	-	-	-
	ii Secured by first pari passu charge on the current assets, present & future, including operating cash flow, receivables, and revenues of whatsoever nature and book debts.							
<b>3</b>	<b>Term Loan From Others</b>							
<b>3.1</b>	<b>Housing Development Finance Corporation Ltd.</b>							
	i Secured by pari passu hypothecation of the present & future movable & immovable Fixed Assets	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 Corporate Prime Lending Rate - 6.60%.	-	44.97	44.97	-	44.97	-
	ii Secured by pari passu hypothecation of the present & future Current Assets							
<b>3.2</b>	<b>Housing Development Finance Corporation Ltd.</b>							
	i Secured by pari passu hypothecation of the present & future movable & immovable Fixed Assets	Principal repayable in 12 equal quarterly installments of ₹ 19.80 with 1st installment due after 27 months after the date of drawdown. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC Corporate Prime Lending Rate - 6.60%.	200.00	-	50.00	-	-	-
	ii Secured by pari passu hypothecation of the present & future Current Assets							
<b>3.3</b>	<b>IDFC Infrastructure Finance Limited</b>							
	i Secured by pari passu first charge on all fixed assets, both present and future including plant & machinery, machinery spares, tools & accessories, furnitures, fixtures, vehicles and all other assets of whatsoever nature.	Principal repayable in 16 equal quarterly installments commencing from 30 June 2018. Applicable rate of Interest is IDFC IDF 5 Year Benchmark+ 2.15%.	75.00	-	-	-	-	-
	ii Secured by pari passu first charge on entire receivables, book debts and revenue of whatsoever nature and wherever arising, both present and future.							
	iii Secured by pari passu first charge on entire intangible assets, including but not limited to, goodwill & uncalled capital, both present & future							
<b>4</b>	<b>FCNR loan from Banks</b>							
<b>4.1</b>	<b>Yes Bank Ltd</b>							
	i Secured by first pari passu hypothecation of the present & future movable & immovable Fixed Assets.	Principal repayable on completion of 2 years from the date of drawdown. (Tranche I- September 1, 2015 for ₹ equivalent 20.00, Tranche II- September 10, 2015 for ₹ equivalent 12.00, Tranche III - October 8, 2015 for ₹ 20.00). Interest is payable on monthly basis. Applicable Interest rate is 6 months LIBOR+ 425 bps.	-	18.70	52.35	-	-	-
	ii Secured by first pari passu hypothecation of the present & future Current Assets.							
<b>4.2</b>	<b>Axis Bank Ltd</b>							
	i Secured by first pari passu hypothecation of the present & future movable & immovable Fixed Assets.	Principal repayable on completion of 3 years from the date of drawdown i.e. December 28, 2015. Interest is payable on monthly basis. Applicable Interest rate is 3 months Libor + 370 bps.	8.95	-	25.04	-	-	-
	ii Secured by first pari passu hypothecation of the present & future Current Assets.							

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>5</b>	<b>Buyers Credit</b>							
<b>5.1</b>	<b>Axis Bank Ltd</b>							
	i Secured by hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future.	Principal repayable with Interest on completion of 6 or 12 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.	61.71	36.99	143.02	2.26	12.41	115.21
<b>5.2</b>	<b>Yes Bank Ltd</b>							
	i Secured by pari passu hypothecation of Current Assets both present & future and extension of pari passu hypothecation of movable Fixed Assets both present & future.	Principal repayable with Interest on completion of 6 or 12 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.	54.33	46.00	195.72	58.48	103.74	58.07
<b>5.3</b>	<b>RBL Bank Ltd</b>							
	i Secured by first pari passu charge by way of hypothecation of present & future movable and immovable Fixed Assets.	Principal repayable with Interest on completion of 6 or 12 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.	62.14	0.32	-	-	-	-
	ii Secured by first pari passu charge by way of hypothecation of present & future Current Assets.							
<b>5.4</b>	<b>Indusind Bank Ltd</b>							
	i Secured by first pari passu charge on all present & future movable and immovable Fixed Assets.	Principal repayable with Interest on completion of 6 or 12 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.	12.39	2.13	-	-	-	-
	ii Secured by first pari passu charge on all present & future Current Assets.							
<b>5.5</b>	<b>Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd)</b>							
	i Secured by pari passu hypothecation of the present & future movable & immovable Fixed Assets	Principal repayable with Interest on completion of 6 or 12 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.	22.58	18.59	29.72	35.44	51.42	9.13
	ii Secured by pari passu hypothecation of the present & future Current Assets.							
<b>5.6</b>	<b>ICICI Bank, Qatar</b>							
	i Unsecured	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.	-	6.27	71.15	127.20	110.80	-
<b>5.7</b>	<b>ICICI Bank, Bahrain</b>							
	i Unsecured	Principal repayable on completion of 2 years from the date of each drawdown. Applicable Rate of Interest is 6 months LIBOR + 2.55% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.	-	1.07	134.36	-	-	-
	Add: Borrowings transferred to Hathway Digital Private Limited (Formerly known as Hathway Datacom Central Pvt Ltd) pursuant to Business Transfer Agreement. Refer note no.4.23		-	-	39.79	43.91	83.70	57.14
	Add: Loan fully repaid prior to the Balance sheet date		-	-	-	45.63	26.80	73.14

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
	Less: Unamortised upfront fees on borrowing		3.99	0.82	10.15	-	4.95	-
	<b>Total Non-current Borrowings</b>		<b>586.18</b>	<b>208.30</b>	<b>970.61</b>	<b>403.99</b>	<b>669.60</b>	<b>312.69</b>
	<b>CURRENT BORROWINGS</b>							
<b>6</b>	<b>Secured</b>							
<b>6.1</b>	<b>Cash Credit</b>							
<b>6.1.1</b>	<b>Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd)</b>							
	i Secured by pari passu hypothecation of present & future movable and immovable Fixed Assets	Sanctioned Amount ₹ 20 (Sublimit of Working Capital Demand Loan of ₹ 75)	-	20.00	-	0.84	-	19.99
	ii Secured by pari passu hypothecation of present & future Current Assets							
<b>6.2</b>	<b>Overdraft</b>							
<b>6.2.1</b>	<b>ICICI Bank Ltd</b>							
	i Secured by pari passu hypothecation of present & future movable and immovable Fixed Assets	(Sanctioned Amount ₹ 20)	-	20.00	-	18.66	-	10.00
	ii Secured by pari passu hypothecation of present & future Current Assets							
<b>8</b>	<b>Unsecured</b>							
<b>8.1</b>	<b>From Related Parties</b>							
	Hathway Broadband Private Limited		-	2.40	-	2.40	-	2.40
	Add: Borrowings transferred to Hathway Digital Private Limited (Formerly known as Hathway Datacom Central Pvt Ltd) pursuant to Business Transfer Agreement. Refer note no.4.23		-	-	-	76.95	-	66.78
	Add: Loan fully repaid prior to the Balance sheet date		-	-	-	100.00	-	-
	<b>Total Current Borrowings</b>		<b>-</b>	<b>42.40</b>	<b>-</b>	<b>198.85</b>	<b>-</b>	<b>99.17</b>

The movable and immovable fixed assets referred to above under particulars of securities, include movable and immovable fixed assets transferred to a wholly owned subsidiary. For details, refer note 4.23.

## (b) The carrying amount of assets pledged as security for borrowings are disclosed below :

Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>1</b>	<b>Current</b>			
	i Inventories	20.12	18.17	6.02
	ii Investments	-	-	89.30
	iii Trade Receivables	24.23	293.11	232.60
	iv Cash and Cash Equivalents	13.79	27.20	20.41
	v Loans	73.56	35.06	12.08
	vi Other financial assets	275.68	6.48	3.35
	vii Non-current assets classified as held for sale	0.02	0.47	0.48
	viii Other Current Assets	19.69	91.73	47.83
	<b>(A)</b>	<b>427.09</b>	<b>472.22</b>	<b>412.07</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>2</b>	<b>Non - current</b>			
i	Property, Plant and Equipment	617.32	1,351.67	1,155.37
ii	Capital Work In Progress	55.71	277.79	156.60
iii	Goodwill	0.02	4.19	4.92
iv	Other Intangible Assets	15.55	89.18	112.18
v	Trade Receivables	-	1.08	1.08
vi	Loans	10.91	31.71	5.15
vii	Other financial assets	18.11	80.49	122.32
viii	Other Non-Current Assets	12.46	52.67	25.91
	<b>(B)</b>	<b>730.08</b>	<b>1,888.78</b>	<b>1,583.53</b>
	<b>Total assets pledged as security (A+B)</b>	<b>1,157.17</b>	<b>2,361.00</b>	<b>1,995.60</b>

### 2.16 TRADE PAYABLES

	Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total outstanding dues of Micro and Small Enterprises (Refer Note 4.11)	-	0.01	-
Total outstanding dues of suppliers other than Micro and Small enterprises	47.29	146.54	121.48
<b>Total</b>	<b>47.29</b>	<b>146.55</b>	<b>121.48</b>

### 2.17 OTHER FINANCIAL LIABILITIES

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current maturities of Long-Term Debts (Refer note no. 2.15)	-	-	-	208.31	375.09	255.55
Current maturities of Finance Lease Obligations (Refer note no. 2.15)	-	-	-	-	28.91	57.14
Security Deposits	14.96	19.81	14.97	-	-	-
Interest accrued	-	-	-	3.21	9.29	6.39
Salary and Employee benefits payable	-	-	-	0.66	1.58	0.66
Payables for acquisition of property, plant and equipment	-	-	-	57.83	55.44	46.76
Financial Guarantee Obligations	-	-	-	0.36	0.98	2.05
Other Financial Liabilities	-	-	-	41.14	50.88	39.55
<b>Total</b>	<b>14.96</b>	<b>19.81</b>	<b>14.97</b>	<b>311.51</b>	<b>522.17</b>	<b>408.10</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.18 PROVISIONS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Employee Benefits</b>						
Provision for Leave Encashment	1.69	4.83	-	1.72	0.54	4.30
Provision for Bonus	-	-	-	0.59	0.37	0.14
<b>(A)</b>	<b>1.69</b>	<b>4.83</b>	<b>-</b>	<b>2.31</b>	<b>0.91</b>	<b>4.44</b>
<b>Others</b>						
Mark to Market Losses on Currency Swap	1.36	15.04	4.59	-	-	-
<b>(B)</b>	<b>1.36</b>	<b>15.04</b>	<b>4.59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>3.05</b>	<b>19.87</b>	<b>4.59</b>	<b>2.31</b>	<b>0.91</b>	<b>4.44</b>

## 2.19 OTHER LIABILITIES

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income received in advance	-	-	-	91.66	266.50	208.70
Statutory Payables	-	-	-	13.25	38.26	11.08
Gratuity (Funded)	1.16	2.65	-	0.18	0.54	0.10
Employee Payables	-	-	-	0.42	1.68	1.43
Advance from Customers	-	-	-	9.53	17.95	16.80
Other Liabilities	-	-	-	0.01	0.32	0.80
<b>Total</b>	<b>1.16</b>	<b>2.65</b>	<b>-</b>	<b>115.05</b>	<b>325.25</b>	<b>238.91</b>

## 3.01 REVENUE FROM OPERATIONS

	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>Revenue from operations</b>		
Sale of services*	1,300.80	1,089.67
Sale of products	0.15	0.85
Other operating revenues	6.45	12.44
<b>Total</b>	<b>1,307.40</b>	<b>1,102.96</b>

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

### REVENUE FROM INTERNET SERVICES

	Year Ended March 31, 2017	Year Ended March 31, 2016
Sale of services	477.28	305.39
Other Operational revenue	3.04	1.16
<b>Total</b>	<b>480.32</b>	<b>306.55</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 3.02 OTHER INCOME

	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>Interest Income on</b>		
Interest income earned on financial assets:		
Bank Deposits (at amortized cost)	1.69	2.59
Interest on Loans	0.46	0.68
Interest on Income Tax Refund	6.48	1.15
<b>Other non - operating income</b>		
Miscellaneous Income	0.52	0.58
Corporate guarantee/ unwinding interest	3.76	2.99
<b>Other gains and losses</b>		
Profit on Sale of Current Investments (Net)	0.24	5.79
Amount No Longer Payable Written Back	0.18	0.00
Net gain on foreign currency fluctuations	9.77	4.12
<b>Total</b>	<b>23.10</b>	<b>17.90</b>

### 3.03 OTHER OPERATIONAL EXPENSES

	Year Ended March 31, 2017	Year Ended March 31, 2016
Commission	65.48	48.50
Bandwidth & Lease Line Cost	57.20	36.66
Repairs & Maintenance (Plant & Equipment)	41.95	31.26
Feed charges	32.55	41.51
Rent	26.69	19.05
Consultancy & Technical Fees	15.91	15.55
Other Sundry Operational Cost	8.48	10.51
Software & Programming Cost	7.06	4.37
Freight & Octroi Charges	2.30	1.62
Hire Charges	1.06	0.49
<b>Total</b>	<b>258.68</b>	<b>209.52</b>

### 3.04 EMPLOYEE BENEFITS EXPENSE

	Year Ended March 31, 2017	Year Ended March 31, 2016
Salaries & Bonus	73.49	71.62
Contribution to provident and other funds	7.30	3.60
Staff Welfare expenses	5.69	4.42
<b>Total</b>	<b>86.48</b>	<b>79.64</b>

### 3.05 FINANCE COST

	Year Ended March 31, 2017	Year Ended March 31, 2016
Interest and Finance charges on financial liabilities	97.47	81.17
Exchange differences regarded as an adjustment to borrowing cost	0.29	-
Other borrowing costs	12.54	8.32
<b>Total</b>	<b>110.30</b>	<b>89.49</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 3.06 DEPRECIATION AND AMORTISATION

	Year Ended March 31, 2017	Year Ended March 31, 2016
Depreciation of Property, Plant and Equipment	254.32	219.02
Amortisation of Intangible Assets	35.33	28.31
Impairment of Goodwill	0.71	0.73
Impairment of Property, Plant and Equipment	9.38	5.27
Impairment of Other Intangible Assets	1.02	1.14
	<b>300.76</b>	<b>254.49</b>

## 3.07 OTHER EXPENSES

	Year Ended March 31, 2017	Year Ended March 31, 2016
Service Charges	155.77	122.07
Bad Debts	219.23	2.05
Less: Transfer from allowance on doubtful debts (Expected Credit Loss)	(219.23)	(2.05)
Allowance on doubtful debts (Expected Credit Loss)	41.15	49.86
Electricity Expenses	23.76	20.39
Advertisement & Promotion expenses	16.04	18.02
Legal & Professional Charges	14.60	11.94
Rent - Offices	11.42	7.95
Conveyance	6.89	6.28
Repairs & Maintenance (Others)	6.28	4.52
Office Expenses	5.36	4.36
Travelling	5.21	5.02
Communication Charges	4.81	4.39
Rates & taxes	3.58	4.22
Loss on disposal / shortage of Property, Plant and Equipment	2.04	3.26
Printing & Stationery	1.66	1.54
Insurance Charges	1.16	1.37
Business Promotion Expenses	1.12	1.29
Sundry Advances Written Off	0.97	0.02
Interest on Taxes	0.76	0.56
Share of Loss from LLP	0.75	0.35
Impairment of doubtful advances	0.11	0.12
Sitting Fees	0.29	0.24
Miscellaneous Expenses	1.76	1.76
<b>Auditor's Remuneration</b>		
- Statutory Audit Fees	0.63	0.63
- Limited Review, Consolidation & Certification Fees	0.27	0.27
- Other Consultancy Services	0.03	0.03
	<b>306.42</b>	<b>270.46</b>

## 3.08 EXCEPTIONAL ITEMS

	Year Ended March 31, 2017	Year Ended March 31, 2016
Settlement fees paid to settle litigation initiated on certain employees by their previous employer, also a MSO	-	3.75
Impairment of Advances / Investments / Receivables from entities Under Control, Joint Control and others	10.96	32.60
Loss on sale of Non-Trade Investments	1.99	-
Marked down in value of certain non-current assets towards abnormal wear and tear	0.24	-
Reversal of Provision for Entertainment Tax of earlier years*	(9.70)	-
	<b>3.49</b>	<b>36.35</b>

\* Refer Note 4.06

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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 4.01 EARNINGS/(LOSS) PER SHARE

	Year ended March 31, 2017	Year ended March 31, 2016
<b>Basic earnings per share : (₹)</b>		
Attributable to equity holders of the Company	(1.86)	(2.27)
<b>Diluted earnings per share : (₹)</b>		
Attributable to equity holders of the Company	(1.86)	(2.27)
<b>Nominal value of Ordinary shares : (₹)</b>	2.00	2.00
<b>Reconciliation of earnings used in calculating earnings per share :</b>		
<b>Basic earnings per share</b>		
Loss attributable to equity holders of the Company used in calculating basic earnings per share :	(154.12)	(188.33)
<b>Diluted earnings per share</b>		
Loss attributable to equity holders of the Company used in calculating diluted earnings per share	(154.12)	(188.33)
<b>Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share</b>	830,494,500	830,494,500

### 4.02 CONTINGENT LIABILITIES

- The Company has given a counter indemnity favoring the bankers to the extent of ₹ 3.42 (March 31, 2016: ₹ 9.21 & April 1, 2015: ₹ 9.58) for issue of Bank Guarantees on behalf of the Company to various authorities/parties.
- The Company has challenged levy of license fees for pure Internet services before Telecom Disputes Settlement & Appellate Tribunal (TDSAT). On merit of the case, TDSAT has granted stay till disposal of petition. The Company is contingently liable to the extent of ₹ 71.45 (March 31, 2016 : ₹ 33.55 & April 01, 2015 : ₹ Nil). The Company has paid an amount of ₹ 5.36 under protest.
- Income Tax Matters**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Disputed Income Tax matter under appeal (Of the above an amounts of ₹1.99 (March 31, 2016 ₹1.99 & April 1, 2015: ₹ 1.99) has already been deposited with Income Tax Department)	-	3.99	3.99

- The minority shareholders of the erstwhile joint venture company, Hathway Rajesh Multichannel Pvt. Ltd., filed an arbitration petition against the Company before the High Court, Bombay, which was referred to a sole arbitrator in August 2016. The minority shareholders, in their statement of claim have sought, amongst other reliefs, payment of ₹ 54.98 towards costs of STBs, charges under various heads allegedly wrongly debited by the Company etc. The Company has refuted the claims and has made counter claim of ₹ 91.17 towards inter-alia outstanding content cost, loans, payments and damages/ compensation for the loss of financial and management credibility, goodwill etc. The matter is currently pending

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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

Matters with	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Operators & Others	0.05	4.10	4.10
Entertainment Tax Department in the city of Thane, Aurangabad, Agra, Ghaziabad, Mumbai, Gwalior and Hyderabad	-	7.39	6.66
Other Statutory Departments	-	0.01	-
VAT department in the State of Maharashtra	0.02	0.68	0.68
Service Tax department	3.74	0.16	0.16
Commercial Tax department Madhya Pradesh, Hyderabad, Noida	-	1.20	-
<b>Total</b>	<b>3.81</b>	<b>13.54</b>	<b>11.60</b>

Pursuant to Business Transfer Agreement dated March 24, 2017, the Company has transferred its Cable Television business which inter alia includes claims against the Company not acknowledged as debts, by way of slump sale to its wholly owned subsidiary Hathway Digital Private Limited (HDPL). Accordingly, the details of such claims, litigation etc. relating to Cable Television business transferred to HDPL are not disclosed hereinabove.

### 4.03 FINANCIAL CORPORATE GUARANTEE

The Company has given Corporate Guarantees of ₹ 113.64 (March 31, 2016: ₹ 126.23 & April 1, 2015: ₹ 135.18) to Banks and ₹ 8.38 (March 31, 2016: ₹ 32.80 & April 1, 2015: ₹ 32.80) to Others towards various credit facilities extended by them to the subsidiary company and Joint Ventures.

### 4.04 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts (including acquisition of intangible assets net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ 51.02 (March 31, 2016: ₹ 63.88 & April 1, 2015: ₹ 64.26).

As a part of business strategy, the Company has expanded its area of operations in various parts of the country by entering into arrangements with local partners. Such operations are in the form of subsidiaries/joint ventures. (Subsequently, some of such entities are converted into wholly owned subsidiaries.) Since operations of such entities are significantly dependent on the company's policies, the Company is committed to provide the required support towards the operations of such entities including financial support that may be required to meet commitments/obligations of such entities.

### 4.05 MATTERS RELATING TO SUBSIDIARIES

Two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. And Hathway Internet Satellite Pvt. Ltd. were majority partners in a partnership firm, namely, M/s. Hathway Space Vision (the firm). The aforesaid majority partners of the firm had initiated legal action i.e. invoked arbitration proceedings, against the minority partner viz. Space Vision Cabletel Pvt. Ltd. with reference to some management and operational issues and had made monetary claims against the minority partner. The minority partner had also filed certain counter claims against the wholly owned subsidiaries. After a long drawn legal battle, the firm stands dissolved as of July 8, 2011. The Court Receiver, High Court of Bombay has been appointed as the Receiver of the assets and business of the firm and Hathway Internet Satellite Private Limited has been appointed as the Agent of the Court Receiver. The issues concerning accounts and dissolution including adjudicating upon the original claims and counter claims made before the earlier Arbitrator are referred to Arbitration before Justice Srikrishna (Retd.). The Court Receiver had taken the possession of the movable assets found at the premises of the Firm and has appointed a valuer, the report thereof is pending. In the mean time, the Court Receiver has fixed an ad hoc royalty of ₹ 0.01 (March 31, 2016 : ₹ 0.01) per month that is to be paid by the agent of the Court Receiver under order dated December 2, 2011. An application by way of chamber summons 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 was disposed off. Majority Partners moved appeals being Appeal (L) No. 344 of 2017 and 403 of 2017, before the High Court of Bombay

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

challenging the Order, which are pending. In the meantime, Majority Partners deposited a sum of ₹ 0.16 with the Court Receiver as per the Order of the Hon'ble High Court dated February 20, 2017.

On May 5, 2017, both the Parties filed their Consent Terms in the High Court, Bombay wherein it is agreed by and between the parties that Majority Partners agrees to remove all moveable assets lying at premises as per the inventory and Reports of the Court Receiver, High Court, Bombay dated 14.09.2011 and 16.09.2011 and CTMS and digital equipment, at its cost and charges. It is further agreed by the Parties that the Court Receiver, High Court, Bombay appointed by an Order dated 08.07.2011, shall stand discharged without passing any accounts. It is agreed that the Binary Technologies Transfers Pvt. Ltd shall bear all the costs, charges, expenses and commission of the Court Receiver, High Court, Bombay. The Court Receiver shall refund all amounts to the Binary Technologies Transfers Pvt. Ltd after deducting its cost and charges. The Minority Partners confirms that they do not have any claim in respect of the amount deposited with the Court Receiver. This settlement is without prejudice to all the rights and contentions of parties in the Appeal pending before the Hon'ble Court.

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, 2016 : ₹ 0.01 & April 1, 2015 : ₹ 0.01) and ₹ 0.01 (March 31, 2016 : ₹ 0.01 & April 1, 2015 : ₹ 0.01) and Loans and advance of ₹ 1.67 (March 31, 2016 : ₹ 1.59 & April 1, 2015 : ₹ 1.59), ₹ 1.67 (March 31, 2016 : ₹ 1.59 & April 1, 2015 : ₹ 1.59) respectively which has been fully provided for in the books.

### 4.06 EXCEPTIONAL ITEMS

Pursuant to circular dated December 17, 2012 issued by the Delhi Entertainment Department, the MSOs were made responsible for collection and payment of Entertainment Tax for secondary points w.e.f. April 1, 2013. The Company challenged the constitutional vires of the said circular and filed writ petition in the matter before the High Court of Delhi. The High Court pronounced a favourable judgment stating that the liability to collect and deposit the Entertainment Tax for secondary points rests wholly and solely upon the LCOs, before and after March 31, 2013, as they are the Proprietor of their individual cable TV network, and not the MSOs. Accordingly, the Company has reversed provision of ₹ 9.70 made on account of Entertainment tax.

### 4.07 EMPLOYEE STOCK OPTION PLAN

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

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

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

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

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Total accounting value of Options Outstanding (A)	-	(0.01)	(0.70)
Deferred Employee Compensation Expense	-	-	0.08
Less: Amortized	-	-	0.08
Net Deferred Employee Compensation Expense (B)	-	-	-
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	-	(0.01)	(0.70)

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

The following table summarizes the Options granted under the plan:

Sr. No.	Particulars	March 31, 2017		March 31, 2016	
		No. of Share Options	Weighted Average Exercise Price in ₹	No. of Share Options	Weighted Average Exercise Price in ₹
A	a Outstanding at the beginning of the year	5,000	22.04	142,000	26.23
	b Granted during the year	Nil	Nil	Nil	Nil
	c Forfeited/ Cancelled during the year	Nil	Nil	Nil	Nil
	d Exercised during the year	Nil	Nil	Nil	Nil
	e Expired during the year option I	5,000	22.04	35,000	22.04
	f Expired during the year option II	Nil	Nil	102,000	31.46
B	Outstanding at the end of the year	Nil	Nil	5,000	22.04
C	Exercisable at the end of the year	Nil	Nil	5,000	22.04
D	Method of Settlement	Equity	Equity	Equity	Equity
E	Weighted average remaining contractual life (in months)		NA		NA
F	Weighted average Fair Value of Option granted during the year		Nil		Nil

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Sr. No.	Grant Date	Expiry Date	Exercise Price	Share Options Outstanding as on		
				March 31, 2017	March 31, 2016	April 01, 2015
1	November 15, 2007	November 14, 2015	11.02	-	-	35,000
2	November 15, 2007	November 14, 2015	15.73	-	-	4,000
3	February 5, 2008	February 4, 2016	15.73	-	-	40,000
4	June 15, 2008	June 14, 2016	15.73	-	-	48,000
5	November 15, 2008	November 14, 2016	15.73	-	-	10,000
6	November 15, 2008	November 14, 2016	11.02	-	5,000	5,000
	<b>Total</b>				<b>5,000</b>	<b>142,000</b>

## 4.08 EMPLOYEE BENEFITS

### a) Defined Benefit Plans:

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

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.
Interest Risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments
Longevity Risk	This risk effects Past Retirement Benefit Plans, especially Pension and Medical Benefits. This Plan pays the benefit on Retirement, if not paid earlier, on account of resignation or death and hence the Longevity risk will not materially effect this Plan.
Salary Risk	The Gratuity benefit, being based on last drawn salary, will be critically effected in case of increase in future salaries being more than assumed.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
<b>1 Expense recognized in the statement of Profit and Loss.</b>		
Current Service Cost	1.10	0.74
Net Interest	0.21	(0.01)
Expense recognized in the statement of Profit and Loss.	1.31	0.73
<b>2 Other Comprehensive Income (OCI)</b>		
Measurement of net defined benefit liability		
Actuarial (gains)/ losses arising from changes in demographic assumptions	(0.42)	0.17
Actuarial (gains)/ losses arising from changes in financial assumption	0.45	0.18
Actuarial (gains)/ losses arising from experience adjustments	(0.24)	2.16
Return on plan asset excluding net interest	(0.10)	0.23
<b>Total Actuarial (Gain)/loss recognised in OCI</b>	<b>(0.31)</b>	<b>2.74</b>

Particulars	Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015
<b>3 Change in benefit obligations:</b>			
Projected benefit obligations at beginning of the year	6.82	4.60	3.82
Current Service Cost	1.10	0.74	0.94
Interest Cost	0.46	0.31	0.33
Benefits Paid	(0.32)	(1.34)	(0.26)
Actuarial (Gain) / Loss			
Actuarial (gains)/ losses arising from changes in demographic assumptions	(0.42)	0.17	(0.11)
Actuarial (gains)/ losses arising from changes in financial assumption	0.45	0.18	0.79
Actuarial (gains)/ losses arising from experience adjustments	(0.24)	2.16	(0.91)
Transferred to other Company (Refer Note No 4.23)	(2.73)	-	-
<b>Projected benefit obligations at end of the year</b>	<b>5.12</b>	<b>6.82</b>	<b>4.60</b>
<b>4 Fair Value of Plan Assets</b>			
Opening Fair Value of Plan Asset	3.65	4.52	4.40
Return on Plan Assets excl. interest income	0.10	(0.23)	(0.25)
Interest Income	0.24	0.31	0.39
Contributions by Employer	0.11	0.39	0.24
Benefits Paid	(0.32)	(1.34)	(0.26)
<b>Fair Value of Plan Assets at end</b>	<b>3.78</b>	<b>3.65</b>	<b>4.52</b>
<b>5 Net Liability</b>			
Projected benefit obligations at end of the year	5.13	6.82	4.60
Fair Value of Plan Asset at the end of the year	3.79	3.65	4.52
<b>Net Liability</b>	<b>1.34</b>	<b>3.17</b>	<b>0.08</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Particulars	Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015
<b>6 Sensitivity Analysis</b>			
Increase/(decrease) on present value of benefit obligation at the end of the year			
One percentage point increase in discount rate	(4.55)	(6.27)	(4.30)
One percentage point decrease in discount rate	5.81	7.49	4.95
One percentage point increase in rate of salary Increase	5.51	7.26	4.86
One percentage point decrease in rate of salary increase	(4.75)	(6.42)	(4.36)
One percentage point increase in attrition rate	(5.11)	(6.77)	(4.57)
One percentage point decrease in attrition rate	5.16	6.91	4.64
Ten percentage point increase in mortality rate	(5.13)	(6.84)	(4.60)
Ten percentage point decrease in mortality rate	5.13	6.84	4.60
<b>7 Principal assumptions used for the purpose of actuarial valuation</b>			
Mortality	IALM (2006-08) Ult	IALM (2006-08) Ult	IALM (2006-08) Ult
Interest /discount rate	6.87%	7.46%	7.77%
Rate of increase in compensation	10.00%	10.00%	10.00%
Expected average remaining service	11.97	9.39	7.18
Employee Attrition Rate (Past service(PS))	0-40 Yea : 11.63% & 12.73%	0-5 Year : 8.68%	0-5 Year : 12.46%
		5-40 years : 6.01%	5-40 years : 9.07%
<b>8 Investment Details</b>			
Deposits with LIC of India	32.66%	30.56%	27.69%
Deposit with ING Vysya Life Insurance Corporation of India	67.34%	69.44%	72.31%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## b) Defined Contribution Plans:

The Company operated defined benefits contribution retirement benefit plans for all qualifying employees.

The Total expenses recognised in the statement of Profit and Loss is ₹ 3.24 (March 31, 2016: ₹ 2.86) represents contribution payable to these plans by the Company at the rates specified in the rules of plan.

## 4.09 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 108 OPERATING SEGMENTS

As the Company's business activity falls within a single business segment viz. providing Cable Television network services, Internet Services and allied services which is considered as the only reportable segment and the revenue substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### 4.10 LEASES

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

Lease rentals outstanding as at March 31, 2017 in respect of fixed assets taken on finance lease are as under:

Due	Minimum Lease Payments			Present Value of Minimum Lease Payments		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Not Later than 1 year	Nil	32.53	65.46	Nil	28.91	57.14
Later than 1 year and not later than 5 years	Nil	22.32	54.85	Nil	21.04	49.95
<b>Total</b>	<b>Nil</b>	<b>54.85</b>	<b>120.31</b>	<b>Nil</b>	<b>49.95</b>	<b>107.09</b>

Upon expiry of the original term lessor may offer lessee to purchase all of the equipments at nominal value

Finance Lease obligation of Non Current Borrowing (Ref: Note No: 2.15) include ₹ Nil (March 31, 2016: ₹ 49.95 & April 1, 2015: 107.09) payable to lessor under finance lease arrangement.

- (b) **Operating Leases (As Lessee):** The Company's significant leasing arrangements in terms of Ind AS 17 on lease are in respect of Operating Leases for Premises and Equipments. The period of these leasing arrangements, which are cancellable in nature range between eleven months to six years and are renewable by mutual consent.

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Payable in the next one year	1.68	7.89	7.50
Payable after next one year but before next five years	1.34	10.27	12.47
Payable after five years	-	-	-

Rental Expenses debited to the Statement of Profit and Loss ₹ 10.72 (March 31, 2016: ₹ 11.07)

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

Lease Expenses debited to the Statement of Profit and Loss ₹ 27.39 (March 31, 2016: ₹ 14.62)

Some of these lease agreements have price escalation clauses

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Gross Carrying Amount of Assets capitalized as Plant & Machinery and given on operating lease	-	2.62	5.03
Accumulated Depreciation	-	0.88	1.69
Depreciation for the year	-	0.36	(0.27)

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## Details of Non Cancellable lease are as under

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Receivable in the next one year	-	0.36	0.52
Receivable after next one year but Before next five years	-	0.11	0.48
Receivable after five years	-	-	-

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

## 4.11 THE DETAILS OF AMOUNTS OUTSTANDING TO MICRO AND SMALL ENTERPRISES BASED ON AVAILABLE INFORMATION WITH THE COMPANY IS AS UNDER

Particulars	March 31, 2017	March 31, 2016
Principal amount due and remaining unpaid	-	0.01
Interest due on above and the unpaid interest	-	*
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	*
Interest due and remaining unpaid	-	*
Interest accrued and remaining unpaid	-	*
Amount of further interest remaining due and payable in succeeding year	-	*

\* Amount less than ₹ 50,000/-

## 4.12 UTILIZATION OF EQUITY FUNDS RAISED IN INITIAL PUBLIC OFFER (IPO)

Particulars	2016-17		2015-16	
	Allotted	Utilised	Allotted	Utilised*
Utilization of Equity funds				
General Corporate Purpose as per the objects stated in the respective offer letters	-	-	-	104.11
<b>Total</b>	-	-	-	<b>104.11</b>

\* Unutilised amount of ₹ 104.11 of FY 2014-15 was fully utilised during FY 2015-16

## 4.13 CAPITAL MANAGEMENT

The Company's objective while managing capital is to maintain stable capital structure to support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital that would enable to maximise the return to stakeholders.

The Company's capital requirement is mainly to fund its business expansion and repayment of borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Net debt	823.10	1,546.46	1,061.05
Total equity	977.49	1,131.31	1,322.45
<b>Net debt to equity ratio</b>	<b>0.84</b>	<b>1.37</b>	<b>0.80</b>

### 4.14 FINANCIAL INSTRUMENTS :

#### (i) Methods & assumption used to estimates the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair values of long term security deposits taken and non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### (ii) Categories of financial instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying values	Fair value	Carrying values	Fair value	Carrying values	Fair value
<b>Financial assets</b>						
<b>Measured at amortised cost</b>						
Investment in Government securities	0.14	0.14	0.14	0.14	0.15	0.15
Trade receivables	24.23	24.23	294.19	294.19	233.69	233.69
Loans	84.46	84.46	66.77	66.77	17.23	17.23
Cash and Bank balances	24.31	24.31	57.01	57.01	80.55	80.55
Other financial assets	283.27	283.27	57.16	57.16	65.53	65.53
<b>Total (A)</b>	<b>416.41</b>	<b>416.41</b>	<b>475.27</b>	<b>475.27</b>	<b>397.15</b>	<b>397.15</b>
<b>Measured at fair value through profit or loss</b>						
Investment in mutual funds	-	-	-	-	89.30	89.30
Derivative Instruments	-	-	0.77	0.77	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>0.77</b>	<b>0.77</b>	<b>89.30</b>	<b>89.30</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying values	Fair value	Carrying values	Fair value	Carrying values	Fair value
<b>Measured at fair value through other comprehensive income</b>						
Investment in equity instruments of other companies	-	-	4.25	4.25	4.25	4.25
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>
<b>Total Financial assets (A+B+C)</b>	<b>416.41</b>	<b>416.41</b>	<b>480.29</b>	<b>480.29</b>	<b>490.70</b>	<b>490.70</b>
<b>Financial liabilities</b>						
Measured at amortised cost						
Borrowings #	836.89	836.89	1,573.45	1,573.45	1,081.46	1,081.46
Trade payables	47.29	47.29	146.55	146.55	121.48	121.48
Other financial liabilities	113.40	113.40	135.03	135.03	107.24	107.24
<b>Total (A)</b>	<b>997.58</b>	<b>997.58</b>	<b>1,855.03</b>	<b>1,855.03</b>	<b>1,310.18</b>	<b>1,310.18</b>
<b>Measured at fair value through profit or loss</b>						
Derivative Instruments	6.11	6.11	18.77	18.77	7.74	7.74
<b>Total (B)</b>	<b>6.11</b>	<b>6.11</b>	<b>18.77</b>	<b>18.77</b>	<b>7.74</b>	<b>7.74</b>
<b>Total Financial liabilities (A+B)</b>	<b>1,003.69</b>	<b>1,003.69</b>	<b>1,873.80</b>	<b>1,873.80</b>	<b>1,317.92</b>	<b>1,317.92</b>

# includes current maturities of long term debts

**Level wise disclosure of financial instruments**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies	-	4.25	4.25	3	Discounted cash flow analysis
Foreign currency forward contracts - Assets	-	0.77	-	2	Quotes from banks or dealers
Foreign currency forward contracts - Liability	4.77	-	2.47	2	Quotes from banks or dealers
Currency Swap contracts - Liability	1.34	18.77	5.27	2	Quotes from banks or dealers

**4.15 FINANCIAL RISK MANAGEMENT**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors. The details of different types of risk and management policy to address these risks are listed below:

The business activities of Company activities expose it to financial risks namely Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Company, it uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency swap contracts, call options are entered to hedge certain foreign currency risk exposures and follows policies set up by a Treasury department under policies approved by the Board of Directors.

**1. Credit risk**

Credit risk arises from the possibility that counter party will cause financial loss to the company by failing to discharge its obligation as agreed.

The Company's exposure to credit risk arises mainly from the trade receivables, loans given, financial guarantee contract and derivative financial instruments.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

The Company's major revenue streams arises from services provided to end use customers in the form of monthly subscription income. The trade receivables on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. As the customer base is distributed economically and geographically, there is no concentration of credit risk. The credit period provided by the Company to its end use customers generally ranges from 0 to 30 days.

The Company follows a simplified approach (i.e based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring the lifetime ECL allowance for trade receivables, the Company uses a provision matrix which comprise a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not recoverable. Based on the industry practices and business environment in which the Company operates, management considers that the trade receivables are in default if the payment are more than 12 months past due.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

Age of Receivable	As at March 31,2017	As at March 31, 2016	As at April 1, 2015
Within Credit Period			
1-90 days past due	31.28	228.87	148.87
91-180 days past due	3.42	86.60	100.44
181-270 days past due	1.56	62.78	49.14
271-365 days past due	2.47	43.38	34.28
More than 365 days past due	2.46	147.94	116.08
<b>Total</b>	<b>41.19</b>	<b>569.57</b>	<b>448.81</b>

Reconciliation of changes in in the loss allowances measured using life-time expected credit loss model - Trade receivables

Particulars	Amount
<b>As at April 1, 2015</b>	215.13
Provided during the year	62.29
Amounts written off	2.05
Reversals of provision	-
<b>As at March 31, 2016</b>	<b>275.37</b>
Provided during the year	42.07
Amounts written off	219.23
Reversals of Provision	-
Transferred to other Company (Refer Note No 4.23)	81.25
<b>As at March 31, 2017</b>	<b>16.96</b>

The Trade Receivables includes amount due from disconnected / inactive customers / LCOs with whom no inter-connect documents have been executed and outstanding in excess of one year. The Company is taking adequate steps for recovery of overdue debts and advances and wherever necessary, adequate provisions as per expected credit loss model have been made.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company liquidity risk management policies include to, at all times ensure sufficient liquidity to meet its liabilities when they are due, by maintaining adequate sources of financing from both domestic and international banks at an optimised cost. In addition, processes and policies related to such risks are overseen by senior management. The Company's senior management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

### Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2017	less than 1 year	1 to 5 year	Total
<b>Non-Derivatives</b>			
Trade payables	47.29	-	47.29
Borrowings	310.44	662.19	972.64
Other financial liabilities	98.44	14.96	113.41
<b>Total</b>	<b>456.17</b>	<b>677.15</b>	<b>1,133.34</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forwards	4.13	0.64	4.77
Swap Contract	0.89	0.47	1.36
<b>Total</b>	<b>5.02</b>	<b>1.11</b>	<b>6.13</b>
<b>As at March 31, 2016</b>	<b>less than 1 year</b>	<b>1 to 5 year</b>	<b>Total</b>
<b>Non-Derivatives</b>			
Trade payables	146.55		146.55
Borrowings	694.69	1,085.97	1,780.66
Other financial liabilities	118.18	19.81	137.99
<b>Total</b>	<b>959.42</b>	<b>1,105.78</b>	<b>2,065.20</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forwards	(0.95)	0.19	(0.76)
Interest rate swaps	6.29	10.10	16.39
<b>Total</b>	<b>5.34</b>	<b>10.29</b>	<b>15.63</b>
<b>As at April 1, 2015</b>	<b>less than 1 year</b>	<b>1 to 5 year</b>	<b>Total</b>
<b>Non-Derivatives</b>			
Trade payables	121.48	-	121.48
Borrowings	482.92	728.94	1,211.87
Other financial liabilities	92.26	14.97	107.24
<b>Total</b>	<b>696.66</b>	<b>743.91</b>	<b>1,440.59</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forwards	2.47	-	2.47
Interest rate swaps	-	3.24	3.24
<b>Total</b>	<b>2.47</b>	<b>3.24</b>	<b>5.71</b>

The Company from time to time in its usual course of business issues financial guarantees to certain subsidiaries and joint ventures. Accordingly, as on March 31, 2017, March 31, 2016 and April 1, 2015 Company has issued corporate guarantee for debt of ₹ 122.02, ₹ 104.81 and ₹ 125.77 respectively. The outflow in respect of these guarantees will arise only upon default of the such subsidiaries and joint ventures. ₹ 66.70 is due for repayment within 1 year and ₹ 55.32 is due for repayment within 1 - 5 Years from the reporting date.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### Financing arrangements

The Company has sufficient sanctioned line of credit from its bankers / financiers; commensurate to its business requirements. The Company reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit.

The Company pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds.

### 3. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed in the ordinary course of business to risks related to changes in foreign currency exchange rate and interest rate.

#### a) Market Risk – Foreign Exchange

Foreign exchange risk arises on all recognised monetary assets and liabilities which are denominated in a currency other than the functional currency of the Company. The Company has foreign currency trade payables, receivables and borrowings. However, foreign exchange exposure mainly arises from borrowings and trade payables denominated in foreign currencies.

Foreign currency risk is managed by following established risk management policies, which inter alia includes monitoring the movements in currencies in which the borrowings / capex vendors are payable and hedging the exposure to foreign currency risk by entering into forward currency contracts, call options and currency swaps contracts.

The Company does not enter into or trade financial instrument including derivative for speculative purpose

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows

<b>Foreign currency exposure as at April 1, 2015</b>	<b>USD</b>	<b>JPY</b>
<b>Assets</b>		
Loans and other receivables	6.96	-
<b>Liabilities</b>		
Borrowings	779.75	-
Trade payables	22.67	0.95
Forward contracts - Liability	2.47	-

<b>Foreign currency exposure as at March 31, 2016</b>	<b>USD</b>	<b>JPY</b>
<b>Assets</b>		
Trade receivables	1.62	-
Loans and other receivables	22.54	-
Forward contracts - Assets	0.76	-
<b>Liabilities</b>		
Borrowings	1152.5	-
Trade payables	6.65	0.3

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Foreign currency exposure as at March 31, 2017	USD	Others
<b>Assets</b>		
Loans and other receivables	1.76	-
<b>Liabilities</b>		
Borrowings	378.63	-
Trade payables	26.86	-
Forward contracts - Liability	4.77	-

Details of Unhedged Foreign Currency Exposure is as under:-

Currency	March 31, 2017		March 31, 2016		April 1, 2015	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
<b>Secured Loans</b>						
USD	3.82	247.43	17.21	1,139.97	12.34	771.56
<b>Accounts Payables</b>						
USD	0.41	26.86	0.10	0.00	0.36	22.67
JPY	-	-	0.52	0.30	1.82	0.95
<b>Other Firm Commitments</b>						
USD	0.82	53.38	1.18	0.00	1.24	77.31
JPY	-	-	0.05	0.00	1.11	0.58

The Company has booked INR USD Cross Currency Swap Contracts of USD 3.50 (March 31, 2016 : USD 3.50) against the underlying INR borrowing of ₹ 215.71 (March 31, 2016 : ₹ 215.71). Outstanding at the year end for the same is INR borrowing is ₹ 25.09 and Currency Swap Contract amount is USD 0.41. The actual interest earned on notional INR deposit, interest paid on notional USD borrowing, Exchange fluctuation on payment/ settlement of principal amount and marked to market loss on USD exposure aggregating net gain / (loss) of ₹ 14.76 (March 31, 2016 : ₹ 0.25) are included under finance cost in note number 3.05 in Notes to the financial statements.

### Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on loss before tax and on other components of equity

Particulars	Impact on loss before tax: Increase/(Decrease)			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	8.73	11.58	(8.73)	(11.58)

Particulars	Impact on other components of equity : (Increase)/Decrease			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(8.73)	(11.58)	8.73	11.58

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### b) Market Risk – Interest Rate

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because the Company has borrowed funds substantially at floating interest rates. The interest rate risk is managed by the Company by the use of interest rate swap and by monitoring monthly cash flow which is reviewed by management to prevent loss of interest.

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Variable rate borrowings	823.08	1,315.55	861.22
Fixed rate borrowings	18.64	268.06	225.20

### Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of borrowing outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel.

	Impact on loss: Increase /(Decrease)		Impact on equity (Increase)/Decrease	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
Interest rates - increase by 100 basis points*	14.57	10.88	(14.57)	(10.88)
Interest rates - decrease by 100 basis points*	(14.57)	(10.88)	14.57	10.88

\* assuming all other variables as constant

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings and the interest swaps. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings in INR & USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## 4.16 RELATED PARTY DISCLOSURES

### Particulars of Related Parties

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

##### i) Under Control of the Company

1	Wholly Owned Subsidiaries:	Bee Network & Communications Pvt. Ltd.
		Binary Technology Transfers Pvt. Ltd.
		Hathway C-Net Pvt. Ltd.
		Hathway Enjoy Cable Network Pvt. Ltd.
		Hathway Gwalior Cable & Datacom Pvt. Ltd.
		Hathway Internet Satellite Pvt. Ltd.
		Hathway JMD Farukhabad Cable Network Pvt Ltd.
		Hathway Media Vision Pvt. Ltd.
		Hathway Space Vision Cabletel Pvt. Ltd.
		Hathway United Cables Pvt. Ltd.
		Hathway Universal Cabletel & Datacom Pvt Ltd. (till March 16, 2017)
		Ideal Cables Pvt. Ltd.
		ITV Interactive Media Pvt. Ltd.
		Liberty Media Vision Pvt. Ltd.
		Vision India Networks Pvt. Ltd.
		Win Cable and Datacom Pvt. Ltd.
		Hathway Broadband Private Limited
		Hathway New Concept Cable & Datacom Pvt. Ltd. (w.e.f October 29, 2015)
		Hathway Mantra Cable & Datacom Pvt. Ltd.
		Hathway Software Developers Pvt. Ltd (w.e.f December 29, 2016)
		UTN Cable Communications Pvt. Ltd. (w.e.f February 16, 2017)
		Hathway Mysore Cable Network Pvt. Ltd. (w.e.f March 25, 2017)
		Hathway Krishna Cables Pvt. Ltd. (w.e.f April 14, 2015)
Hathway Digital Private Limited (f.k.a Hathway Datacom Central Pvt. Ltd.)		
2	Other – Subsidiaries	Chennai Cable Vision Network Pvt. Ltd.
		Channels India Network Pvt. Ltd
		Elite Cable Network Pvt. Ltd.
		UTN Cable Communications Pvt. Ltd. (till February 16, 2017)
		Hathway Software Developers Pvt. Ltd (w.e.f. May 28, 2015 till December 29, 2016)
		Hathway Krishna Cables Pvt. Ltd. (till April 14, 2015)
		Hathway Nashik Cable Network Pvt. Ltd.
		Hathway Bhawani Cabletel and Datacom Ltd.
Hathway Kokan Crystal Cable Network Pvt. Ltd.		

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### ii) Other Related parties :

1	Joint Ventures	Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd. GTPL Hathway Ltd. (f.k.a.GTPL Hathway Pvt. Ltd.) Hathway Sai Star Cable & Datacom Pvt. Ltd. Hathway MCN Pvt. Ltd. Hathway Channel 5 Cable and Datacom Pvt Ltd Net 9 Online Hathway Pvt. Ltd. Hathway Cable MCN Nanded Pvt. Ltd. Hathway Latur MCN Cable & Datacom Pvt. Ltd. Hathway Palampur Cable Network Pvt. Ltd. Hathway Mysore Cable Network Pvt. Ltd. (till March 25, 2017) Hathway ICE Television Pvt. Ltd. Hathway Sonali Om Crystal Cable Pvt. Ltd. Hathway Dattatray Cable Network Pvt. Ltd. Hathway Software Developers Pvt. Ltd (till May 28, 2015) Hathway Prime Cable & Datacom Pvt Ltd Hathway New Concept Cable & Datacom Pvt. Ltd. (till October 29, 2015) Hathway SS Cable & Datacom - LLP Hathway Sukhamrit Cable and Datacom Pvt Ltd
2	Joint Ventures of Subsidiaries	Hathway Universal VCN Cable Network LLP (till October 21, 2016) Hathway CCN Multinet Pvt. Ltd. Hathway CCN Entertainment (India) Pvt. Ltd. Hathway CBN Multinet Pvt. Ltd. Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.
3	Associate Companies	Pan Cable Services Pvt. Ltd. Hathway VCN Cablenet Pvt. Ltd.
4	Post Employment benefit plan	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme
5	Key Managerial Personnel	<b>Executive Directors:-</b> Mr. Jagdish Kumar G Pillai - Managing Director & CEO (Upto November 25, 2016) Mr.Rajan Gupta Managing Director (w.e.f November 25, 2016) <b>Non Executive Directors :-</b> <b>Independent Director</b> Mr. Sridhar Gorthi Chairman Mr. Sasha Gulu Mirchandani Mr. Devendra Shrotri Ms. Ameeta A Parpia  <b>Non Independent Directors</b> Mr. Rajan B Raheja Mr. Viren R Raheja Mr. Akshay R Raheja Mr. Vinayak P Aggarwal

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Particulars	March 31, 2017	March 31, 2016
(a) Short Term employee benefits	2.27	2.50
(b) Post employment benefits	0.07	0.07
(c) Other long term benefits		
(d) Sitting Fees	0.25	0.22
<b>Total Compensation</b>	<b>2.59</b>	<b>2.79</b>

As the post-employment benefits such as Gratuity & Leave encashment are provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Managerial Personnel is not ascertainable and therefore not included above.

**B) Related Party Transactions**

Nature of Transactions	Name of the Party	Relationship	2016-17	2015-16
<b>INCOME</b>				
Subscription Income	Hathway Digital Private Limited	Subsidiary	23.57	26.79
	Hathway Krishna Cable Pvt Ltd	Subsidiary	10.23	13.70
	Hathway Mantra Cable & Datcom Pvt Ltd	Subsidiary	10.88	11.69
	Others	Joint venture	22.52	35.30
	Others	Joint Venture of Subsidiary	0.92	-
	Others	Subsidiary	29.69	28.96
Rental Income on Equipments	GTPL Hathway Ltd	Joint venture	0.34	0.39
	Hathway Cable MCN Nanded Pvt Ltd	Joint venture	0.42	-
	Hathway Sai Star Cable And Datacom Pvt Ltd	Joint venture	-	0.09
Consultancy Income	Hathway Latur MCN Cable & Datacom Pvt Ltd	Joint venture	0.18	0.30
	Hathway MCN Pvt Ltd	Joint venture	0.37	-
	Net 9 Online Pvt Ltd	Joint venture	0.78	0.43
	Hathway Sonali Om Crystal Cable Pvt Ltd	Joint venture	-	3.39
	Others	Joint venture	-	0.15
Interest on Loans	Hathway Mysore Cable Network Pvt Ltd	Subsidiary	0.13	-
	Hathway Mysore Cable Network Pvt Ltd	Joint venture		0.13
	Hathway Sai Star Cable And Datacom Pvt Ltd	Joint venture	0.17	0.11
	Hathway Software Developers Pvt Ltd	Subsidiary	0.11	0.11
	Hathway Digital Private Limited	Subsidiary	0.05	0.04
	Hathway Bhawani Cabletel & Datacom Ltd	Subsidiary	0.03	0.19
	Hathway Sonali Om Crystal Cable Pvt Ltd	Joint venture	0.11	0.01
	Others	Joint venture	0.04	0.01
	Dividend Income	GTPL Hathway Limited	Joint venture	0.24
Other Operational Income	Hathway Digital Private Limited (Reimbursement of Expenses)	Subsidiary	0.02	0.13
	Hathway Mantra Cable & Datcom Pvt Ltd (Reimbursement of Expenses)	Subsidiary	0.02	-
	Hathway Mysore Cable Network Pvt Ltd (Reimbursement of Expenses)	Subsidiary	0.24	

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	2016-17	2015-16
<b>EXPENSES</b>				
Distribution Cost	Hathway Bhawani Cabletel & Datacom Ltd	Subsidiary	3.26	4.90
	Hathway Mantra Cable & Datcom Pvt Ltd	Subsidiary	7.07	4.36
	Hathway MCN Pvt Ltd	Joint venture	6.24	8.08
	Hathway Sonali Om Crystal Cable Pvt Ltd	Joint venture	0.81	8.78
	Hathway Software Developers Pvt Ltd	Subsidiary	0.62	-
	Others	Joint venture	1.55	2.41
	Others	Subsidiary	1.46	1.60
	Others	Joint Venture of Subsidiary	2.11	2.38
Feed Charges	Hathway MCN Pvt Ltd	Joint venture	2.83	2.40
	Hathway Software Developers Pvt Ltd	Subsidiary	-	0.81
	UTN Cable Communications Pvt Ltd	Subsidiary	0.67	0.88
	Others	Joint venture	0.02	0.34
	Others	Subsidiary	0.35	-
Interest on Loan	Hathway Broadband Private Limited	Subsidiary	0.24	0.24
Rent Offices	Akshay R Raheja	Key Managerial Personnel	1.94	1.42
	Viren R Raheja	Key Managerial Personnel	1.82	1.42
	Others	Subsidiary	0.06	0.06
	Others (Reimbursement of Expenses)	Subsidiary	0.10	-
	Others	Joint venture	0.08	0.11
Other Expenses	Hathway Digital Private Limited (Reimbursement of Expenses)	Subsidiary	0.52	0.21
	Hathway Software Developers Pvt Ltd	Subsidiary	0.03	0.03
	Sonata Information Technology Ltd	Entities own or significant influence	-	-
	Windsor Condominium	Entities own or significant influence	-	-
	Others (Reimbursement of Expenses)	Subsidiary	0.07	-
	Others	Entities own or significant influence	-	-
Post Employment benefit plan	Others	Joint venture	-	-
	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme	Trust	0.11	0.39

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	2016-17	2015-16
<b>TRANSACTION DURING THE YEAR</b>				
Impairment in Value of Investments made during the year	Hathway Bhawani Cabletel & Datacom Pvt. Ltd.	Subsidiary	0.60	-
	Hathway Digital Saharanpur Cable and Datacom Pvt Ltd	Joint Venture	0.48	-
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	-	16.68
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	11.07
	Hathway Sukhamrit Cable & Datacom Private Limited	Joint Venture	-	-
	Others	Subsidiary	-	-
	Others	Joint Venture	-	2.50
	Allowance for bad and doubtful loans made during the year	Hathway Media Vision Private Limited	Subsidiary	-
Hathway Digital Saharanpur Cable and Datacom Pvt Ltd		Joint Venture	0.98	-
Hathway Sonali OM Crystal Cable Private Limited		Joint Venture	7.77	-
Others		Subsidiary	0.16	-
Others		Joint Venture	0.06	-
Allowance for bad and doubtful debts made during the year		Hathway New Concept Cable & Datacom Pvt Ltd	Subsidiary	-
	Hathway Sai Star Cable and Datacom Private Limited	Joint Venture	0.21	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	0.34	-
	Hathway Sukhamrit Cable & Datacom Private Limited	Joint Venture	-	-
	Others	Subsidiary	-	-
	Others	Joint Venture	-	-
Net Advances / Trade Receivables / Trade Payables Made During the Year	Hathway Bhawani Cabletel & Datacom Limited	Subsidiary	-	-
	Hathway Digital Private Limited	Subsidiary	26.54	21.77
	Hathway Mantra cable & Datacom Pvt. Ltd	Subsidiary	-	5.52
	UTN Cable Communications Private Limited	Subsidiary	-	6.30
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	14.45
	Others	Subsidiary	12.95	14.64
	Others	Joint Venture	7.93	16.66
	Others	Joint Venture of Subsidiary	-	0.15

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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Nature of Transactions	Name of the Party	Relationship	2016-17	2015-16
Net Advances / Trade Receivables / Trade Payables Recovered / Paid During the Year	Hathway Bhawani Cabletel & Datacom Limited	Subsidiary	0.90	3.18
	Hathway Media Vision Private Limited	Subsidiary	-	0.31
	Hathway Mysore Cable Network Private Limited	Subsidiary	-	-
	Hathway Software Developers Private Limited	Subsidiary	-	-
	Win Cable & Datacom Private Limited	Subsidiary	-	0.15
	GTPL Hathway Ltd	Joint Venture	-	-
	Hathway Dattatray Cable Network Private Limited	Joint Venture	-	0.60
	Hathway MCN Private Limited	Joint Venture	-	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	1.26	-
	Hathway CCN Multinet Pvt Ltd	Joint Venture of Subsidiary	0.88	-
	Hathway CBN Multinet Pvt. Ltd.	Joint Venture of Subsidiary	0.87	-
	Others	Subsidiary	0.22	0.00
	Others	Associate	0.00	-
	Others	Joint Venture	0.21	0.05
Others	Joint Venture of Subsidiary	0.38	-	
Share Application Money given during the year	Hathway Digital Private Limited	Subsidiary	-	23.09
Investment made during the year	Hathway Broadband Private Limited	Subsidiary	-	-
	Hathway Digital Private Limited	Subsidiary	23.09	18.98
	Hathway Krishna Cable Private Limited	Subsidiary	0.10	4.64
	Hathway Software Developers Private Limited	Subsidiary	0.21	7.55
	UTN Cable Communications Private Limited	Subsidiary	0.12	-
	GTPL Hathway Ltd	Joint Venture	-	31.44
	Others	Subsidiary	0.27	3.06
	Others	Joint Venture	-	7
Investment sold during the year	Hathway Universal Cabletel & DataCom Private Limited *	Subsidiary	0.02	-
Security Deposit given during the year	Viren R Raheja	Key Managerial Personnel	-	0.58
	Akshay R Raheja	Key Managerial Personnel	-	0.58

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## CLOSING BALANCES

Nature	Name of the Party	Relationship	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investments	Hathway Digital Private Limited	Subsidiary	140.03	116.94	97.96
	GTPL Hathway Ltd	Joint Venture	197.70	197.70	166.26
	Hathway Sukhamrit Cable & Datacom Private Limited	Joint Venture	4.02	4.02	4.02
	Others	Subsidiary	82.31	72.99	48.40
	Others	Associate	0.10	0.10	0.10
	Others	Joint Venture	69.72	80.37	82.71
Loans & advances	Hathway Digital Private Limited	Subsidiary	45.80	11.71	-
	Hathway Nashik Cable Network Private Limited	Subsidiary	10.39	10.39	10.39
	Win Cable & Datacom Private Limited	Subsidiary	20.22	20.22	20.37
	GTPL Hathway Ltd	Joint Venture	10.32	10.32	10.32
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	15.53	15.53	0.11
	Hathway VCN Cablenet Private Limited	Associate	5.50	5.50	5.50
	Others	Subsidiary	32.48	29.47	14.36
	Others	Associate	0.59	0.59	0.59
	Others	Joint Venture	4.37	8.47	5.09
	Allowance for bad and doubtful debts	Channels India Network Private Limited	Subsidiary	-	1.33
Hathway Krishna Cable Private Limited		Subsidiary	-	2.37	2.37
Hathway New Concept Cable & Datacom Pvt Ltd		Subsidiary	-	10.60	-
Hathway New Concept Cable & Datacom Pvt Ltd		Joint Venture	-	-	10.60
Liberty Media Vision Private Limited		Subsidiary	-	1.16	1.16
Vision India Network Private Limited		Subsidiary	-	1.85	1.85
Hathway Channel 5 Cable & Datacom Private Limited		Joint Venture	-	3.81	3.81
Hathway Sukhamrit Cable & Datacom Private Limited		Joint Venture	-	2.28	2.28
Others		Subsidiary	-	1.61	1.61
Others		Joint Venture	-	0.26	0.26

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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Nature	Name of the Party	Relationship	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Impairment in Value of Investments	Hathway Media Vision Private Limited	Subsidiary	5.92	5.92	5.92
	Hathway New Concept cable & Datacom Pvt Ltd	Subsidiary	4.03	4.03	-
	Hathway New Concept cable & Datacom Pvt Ltd	Joint Venture	-	-	4.03
	Hathway Channel 5 Cable & Datacom Private Limited	Joint Venture	6.28	6.28	6.28
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	16.68	16.68	-
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	11.07	11.07	-
	Others	Subsidiary	7.06	6.47	6.47
	Others	Associate	0.10	0.10	0.10
	Others	Joint Venture	5.62	5.14	2.65
	Allowance for bad and doubtful loans	Hathway Nashik Cable Network Private Limited	Subsidiary	10.39	10.39
Win Cable & Datacom Private Limited		Subsidiary	20.37	20.37	20.37
Hathway Sonali OM Crystal Cable Private Limited		Joint Venture	7.77	-	-
Hathway VCN Cablenet Private Limited		Associate	5.50	5.50	5.50
Others		Subsidiary	11.99	11.86	11.82
Others		Associate	0.59	0.59	0.59
Others		Joint Venture	1.28	0.24	0.28
Trade Payables		Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	JV of Subsidiary	-	0.13
	Hathway Dattatray Cable Network Private Limited	Joint Venture	-	0.80	0.80
	Hathway Ice Television Pvt Ltd	Joint Venture	-	0.80	0.80
	Hathway MCN Private Limited	Joint Venture	-	0.60	1.86
	Hathway SS Cable & Datacom LLP	Joint Venture	-	0.77	0.24
	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.	Joint Venture of Subsidiary	-	0.70	0.46
	Others	Subsidiary	-	-	0.01
	Others	Joint Venture	-	0.35	0.57
	Others	Joint Venture of Subsidiary	-	-	0.52
	Share Application Money	Hathway Digital Pvt Ltd	Subsidiary	-	23.09
Hathway Universal Cabletel & Datacom Private Limited		Subsidiary	-	-	1.25
Hathway Krishna Cable Private Limited		Subsidiary	-	-	4.50
Hathway Mysore Cable Network Private Limited		Joint venture	-	-	7.00
Hathway Software Developers Private Limited		Joint venture	-	-	7.55
GTPL Hathway Ltd		Joint venture	-	-	5.00

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Nature	Name of the Party	Relationship	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured loan	Hathway Broadband Private Limited	Subsidiary	2.40	2.40	2.40
Trade Receivables	Hathway Bhawani Cabletel & Datacom Limited	Subsidiary	1.01	3.69	6.87
	Hathway Digital Private Limited	Subsidiary	-	14.87	4.80
	Hathway Mantra cable & Datacom Pvt. Ltd	Subsidiary	-	6.71	8.69
	Hathway New Concept Cable & Datacom Pvt Ltd	Subsidiary	-	11.10	-
	Hathway New Concept Cable & Datacom Pvt Ltd	Joint Venture	-	-	10.60
	GTPL Hathway Ltd	Joint Venture	0.20	3.25	2.87
	Hathway Sai Star Cable & Datacom Private Limited	Joint Venture	-	11.97	5.89
	Hathway Sonali OM Crystal Cable Private Limited	Joint Venture	-	5.99	6.96
	Hathway Sukhamrit Cable & Datacom Private Limited	Joint Venture	-	2.28	2.28
	Net 9 Online Hathway Pvt Ltd	Joint Venture	0.24	0.24	0.17
	Others	Subsidiary	-	25.67	11.16
	Others	Joint Venture	-	11.84	7.51
	Others	Joint Venture of Subsidiary	-	0.15	-
Security Deposit Given	Viren R Raheja	Key Managerial Personnel	1.84	1.84	1.26
	Akshay R Raheja	Key Managerial Personnel	1.84	1.84	1.26

In addition to above, the Company has extended aggregate loan of ₹ 37.35 to various subsidiaries and Joint Ventures, out of which ₹ 16.12 is interest free. The Company had invested in 5% Non cumulative Redeemable Preference shares issued by Hathway Digital Pvt Ltd aggregating to ₹ 0.05 (March 31, 2016 : 0.05, April 01, 2015 : 0.05). The Company has given Corporate financial Guarantees of ₹ 120.93 (March 31, 2016 ₹ 150.93) on behalf of GTPL Hathway Ltd., ₹ Nil (March 31, 2016: ₹ 5.00) on behalf of Hathway Datacom Central Pvt. Ltd. and ₹ 1.09 (March 31, 2016: ₹ 3.1) on behalf of Hathway MCN Pvt Ltd. The Company had fair value investment in some of its subsidiaries and Joint Ventures and recognised net gain aggregating to ₹ 378.69 (March 31, 2016 ; 378.69)

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## 4.17 SUPPLEMENTARY STATUTORY INFORMATION REQUIRED TO BE GIVEN PURSUANT TO SCHEDULE V OF REGULATION 34(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

### Loans And Advances In The Nature of Loans To Subsidiaries, Joint Ventures And Associates

(₹ in Crores unless otherwise stated)

NAME OF RELATED PARTY	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway Mysore Cable Network Pvt. Ltd.	4.30		4.30		4.30	4.30		1.55	1.55
Hathway Software Developers Pvt. Ltd.	2.88		2.88	2.88		2.88		0.88	0.88
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.		0.22	0.22		0.22	0.22		0.22	0.22
Hathway Media Vision Pvt. Ltd.	1.64		1.64	1.64		1.95	1.95	-	2.19
UTN Cable Communications Pvt. Ltd.	6.11		6.11	6.11		6.11	1.11	-	1.11
Hathway Ice Television Pvt. Ltd.		0.68	0.68		0.68	0.68		0.68	0.78
Hathway MCN Pvt. Ltd.		-	-		-	-		-	1.27
GTPL Hathway Ltd. (f.k.a GTPL Hathway Pvt. Ltd)		10.32	10.32		10.32	10.32		10.32	10.32
Net 9 Online Hathway Pvt. Ltd.		0.20	0.20		0.20	0.20		0.20	0.20
Hathway Sonali Om Crystal Cable Pvt. Ltd.		15.53	15.53		15.53	15.53		0.11	0.11
Hathway Gwalior Cable & Datacom Pvt. Ltd.	0.52		0.52	0.52		0.52	0.52		0.52
Hathway Enjoy Cable Network Pvt. Ltd.	#		#	#		#	#		#
Hathway Latur MCN Cable & Datacom Pvt. Ltd.		0.17	0.17		0.17	0.17		0.17	0.17
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.		1.04	1.04		1.04	1.04		0.30	0.30
Hathway JMD Farukhabad Cable Network Pvt. Ltd.	#		#	#		#	#		#
Hathway Cable MCN Nanded Pvt. Ltd.		0.29	0.29		0.29	0.29		0.29	0.29
Hathway Dattatray Cable Network Pvt. Ltd.		0.14	0.14		0.14	0.74		0.74	0.74
Hathway Mantra Cable & Datacom Pvt. Ltd.	7.50		7.50	7.50		7.50	#		#
Hathway Digital Pvt Ltd (f.k.a.Hathway Datacom Central Pvt. Ltd).	45.80		45.80	11.71		11.71	-		0.09
Hathway Prime Cable & Datacom Pvt. Ltd.		0.02	0.02		0.02	0.02		0.02	0.02
Hathway New Concept Cable & Datacom Pvt. Ltd.	0.04		0.04	0.04		0.04		0.04	0.04
Hathway Konkan Crystal Cable Network Pvt. Ltd.	0.01		0.01	0.01		0.01	0.01		0.01
Bee Network & Communications Pvt. Ltd.	0.37		0.37	0.37		0.37	0.37		0.37
Binary Technology Transfers Pvt. Ltd.	1.67		1.67	1.59		1.59	1.59		1.59
Chennai Cable Vision Network Pvt. Ltd.	1.97		1.97	1.97		1.97	1.97		1.97
Channels India Network Pvt. Ltd.	0.01		0.01	0.01		0.01	0.01		0.01
Elite Cable Network Pvt. Ltd.	0.02		0.02	0.02		0.02	0.02		0.02

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crores unless otherwise stated)

NAME OF RELATED PARTY	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway CNet Pvt. Ltd.	0.45		0.45	0.45		0.45	0.45		0.45
Hathway Internet & Satellite Pvt. Ltd.	1.67		1.67	1.59		1.59	1.59		1.59
Hathway Nashik Cable Network Pvt. Ltd.	10.39		10.39	10.39		10.39	10.39		10.39
Hathway Space Vision Cabletel Pvt. Ltd.	1.04		1.04	1.04		1.04	1.04		1.04
Hathway Universal Cabletel & Datacom Pvt. Ltd. *	-		-	0.02		0.02	0.02		0.02
Ideal Cables Pvt. Ltd.	0.44		0.44	0.44		0.44	0.44		0.44
ITV Interactive Media Pvt. Ltd.	0.45		0.45	0.45		0.45	0.45		0.45
Liberty Media Vision Pvt. Ltd.	1.17		1.17	1.17		1.17	1.17		1.17
Vision India Network Pvt. Ltd.	0.22		0.22	0.22		0.22	0.22		0.22
Win Cable & Datacom Pvt. Ltd.	20.22		20.22	20.22		20.37	20.37		20.94
Hathway Sai Star Cable & Datacom Pvt. Ltd.		1.40	1.40		1.40	1.40		0.20	0.20
Hathway Bhawani Cabletel & Datacom Ltd.	-		1.43	1.43		1.46	1.43		1.43
Pan Cable Services Pvt. Ltd.		0.59	0.59		0.59	0.59		0.59	0.59
Hathway VCN Cablenet Pvt. Ltd.		5.50	5.50		5.50	5.50		5.50	5.51
Hathway SS Cable & Datacom LLP		0.21	0.21		#	#		#	#

\* Investment in Hathway Universal Cabletel & Datacom Pvt Ltd disposed during FY 2016-17

# Amount less than ₹ 50,000

## Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.

- None of the loanee have made, per se, investment in the shares of the Company.
- Investment made by Hathway Media Vision Pvt. Ltd in Hathway Bhawani Cabletel & Datacom Ltd - 21,60,000 equity shares of ₹ 2.46.
- Investment made by Hathway New Concept Cable & Datacom Pvt Ltd in Hathway Media Vision Private Limited - 2,000 preference shares of ₹ 0.00
- Investment made by Hathway New Concept Cable & Datacom Pvt Ltd in Win Cable & Datacom Private Limited - 5,000 preference shares. of ₹ 0.01

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

4.18 The Company being engaged in the business of providing infrastructure facilities, the provision of section 186 of the Companies Act, 2013 are not applicable and accordingly, disclosure of details with respect to Loan given, guarantee given, and security made during the Financial Year 2016-17 in terms of Section 186 (4) of the Act is not applicable. Disclosure of Investment made during Financial Year 2016-17 and Financial Year 2015-16 is as follows:-

### Details of Investment made during the financial year 2016-17 as per section 186(4) of The Companies Act 2013.

Number and kind of securitiEquity SharEquity Shares	Face value and Paid up value	Name of the recipient	Amount of acquisition	Purpose of acquisition
153,933 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Digital Pvt Ltd (f.k.a.Hathway Datacom Central Private Limited)	23.09	Strategic Investment for Business expansion
167,900 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Mysore Cable Network Private Limited	0.17	For conversion to wholly owned subsidiary and Business expansion
100,000 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Krishna Cable Private Limited	0.10	Business expansion
124,500 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	UTN Cable Communication Private Limited	0.12	For conversion to wholly owned subsidiary and Business expansion
100,000 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway New Concept Cable & Datacom Private Limited	0.10	Business expansion
205,000 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Software Developers Private Limited	0.21	For conversion to wholly owned subsidiary and Business expansion

### Details of Investment made during the financial year 2015-16 as per section 186(4) of The Companies Act 2013.

Number and kind of securitiEquity Shares	Face value and Paid up value	Name of the recipient	Amount of acquisition	Purpose of acquisition
187,500 Equity Shares	Nominal Value ₹ 10 Paid Up Value ₹ 10	GTPL Hathway Limited (f.k.a GTPL Hathway Pvt Ltd)	29.44	Strategic Investment for Business expansion
11,834 Equity Shares	Nominal Value ₹ 10 Paid Up Value ₹ 10	GTPL Hathway Limited (f.k.a GTPL Hathway Pvt Ltd)	2.00	Strategic Investment for Business expansion
126,500 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Digital Pvt Ltd (f.k.a.Hathway Datacom Central Private Limited)	18.98	Strategic Investment for Business expansion
95,741 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Kokan Crystal Network Private Limited	1.03	To Increase Share holding and Business expansion
1,500,000 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Krishna Cable Private Limited	4.50	To Increase Share holding and Business expansion
1,40,000 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Krishna Cable Private Limited	0.14	To Increase Share holding and Business expansion
350,000 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Mysore Cable Network Private Limited	7.00	To Increase Share holding & Business expansion
285,000 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Software Developers Private Limited	7.55	To Increase Share holding & Business expansion

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Number and kind of securities	Face value and Paid up value	Name of the recipient	Amount of acquisition	Purpose of acquisition
201,214 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway Universal Cabletel & Datacom Private Limited	2.01	Strategic Investment for Business expansion
24,500 Equity Shares	Nominal Value ₹ 10 and Paid up value ₹ 10	Hathway New Concept Cable & Datacom Private Limited	0.02	For conversion to wholly owned subsidiary and Business expansion

**4.19** The earlier discussion of demerger of the ISP Business Undertaking of the Company to the wholly owned subsidiary viz Hathway Broadband Pvt Ltd as of April 1, 2015 (the Appointed Date), which was pending before the High Court of Bombay, was withdrawn during the year after taking requisite approval from the shareholders.

**4.20** Pursuant to introduction of Digital Addressable System (DAS), in terms of TRAI Regulations the MSOs are required to inter alia enter into inter connect agreements with local cable operators in notified cities. The Company has not been able to complete the above process successfully in networks where there are cases of resistance from local cables operators. Pending execution of documents, 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 has made suitable provisioning, wherever required and is confident that it is stated at realizable amount.

**4.21** The Company has its presence in various cities, which form part of phase III of DAS rollout in terms of MIB notification. Preparatory to DAS rollout dates, the Company had established required infrastructure. The monetization of these investments is subject to successful DAS implementation and the management is hopeful of the same.

**4.22** The board of directors of 5 wholly owned subsidiaries of the Company viz. Hathway New Concept Cable and Datacom Private Limited, Hathway Krishna Cable Private Limited, UTN Cable Communications Private Limited, Hathway software Developers Private Limited and Hathway Mysore Cable Network Private Limited have resolved, subject to necessary approvals, to demerge their cable television business to Hathway Digital Private Limited with effect from closing hours of March 31, 2017.

#### **4.23 TRANSFER OF CATV BUSINESS THROUGH SLUMP SALE**

Pursuant to receipt of approval to the internal restructuring from the board of directors and the shareholders and after seeking in-principle prior approvals from all the lenders, the Company transferred its Cable Television business by way of slump sale to its wholly owned subsidiary Hathway Digital Private Limited (earlier known as Hathway Datacom Central Private Limited) ("the said Subsidiary") with effect from close of business hours as of March 31, 2017 for a total consideration of ₹ 302. In view of the same, all assets and liabilities including borrowings & contingent liabilities attributed to the cable television business got vested in the said Subsidiary. The Company has intimated the effect of the same to its lenders and the lenders are inter alia in the process of completing documentations in this regard. The disclosures in note no. 2.15 relating to securities offered to the banks and others against borrowings extended by them is based on terms of Business Transfer Agreement executed to give effect to slump sale, however, execution of necessary documents and filing of relevant forms with the office of the Registrar of Companies is under progress.

**Details of the purchase consideration is as follows:**

Purchase Consideration	CATV Business
Total Purchase Consideration	302.00
Less: Paid	30.00
<b>Outstanding receivable</b>	<b>272.00</b>

**4.24** There is an unclaimed share application money of ₹ 29,375 (Amount in ₹) required to be transferred to Investor Education and Protection Fund (IEPF). The Company is in process of transferring such amount to IEPF, in accordance with the provisions of section 125 of the Companies Act, 2013 and relevant rules thereunder.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 4.25 FIRST TIME IND AS ADOPTION RECONCILIATION

### Reconciliation between Previous GAAP and Ind AS

Particulars	Notes	March 31, 2016 (End of last period presented under previous GAAP)			April 1, 2015 (Date of transition)		
		Previous GAAP*	Adjustments	As per Ind AS balance sheet	Previous GAAP*	Adjustments	As per Ind AS balance sheet
<b>ASSETS</b>							
<b>Non-Current Assets</b>							
Property, Plant and Equipment	1	1,351.67	-	1,351.67	1,155.37	-	1,155.37
Capital Work In Progress		277.79	-	277.79	156.60	-	156.60
Investment Property		-	-	-	-	-	-
Goodwill		4.19	-	4.19	4.92	-	4.92
Other Intangible Assets		89.18	-	89.18	112.18	-	112.18
Intangible Assets under Development		-	-	-	-	-	-
Financial Assets		-	-	-	-	-	-
Investments	2 & 7	423.98	392.80	816.78	381.56	378.66	760.22
Trade Receivables	4	1.08	-	1.08	1.08	-	1.08
Loans	11	37.03	(5.32)	31.71	6.98	(1.83)	5.15
Others	5	83.04	(2.55)	80.49	124.82	(2.50)	122.32
Deferred Tax Assets (Net)		-	-	-	-	-	-
Other Non-Current Assets		138.57	(8.24)	130.33	84.12	(2.91)	81.21
<b>Total Non-Current Assets</b>		<b>2406.53</b>	<b>376.69</b>	<b>2783.22</b>	<b>2027.63</b>	<b>371.42</b>	<b>2399.05</b>
<b>Current Assets</b>							
Inventories		18.17	-	18.17	6.02	-	6.02
Financial Assets		-	-	-	-	-	-
Investments	3	-	-	-	89.11	0.19	89.30
Trade Receivables	4	372.80	(79.69)	293.11	302.20	(69.60)	232.60
Cash and Cash Equivalents		27.20	-	27.20	20.41	-	20.41
Loans	11	35.06	-	35.06	12.08	-	12.08
Others	5	6.48	-	6.48	3.35	-	3.35
Non-current assets classified as held for sale		0.47	-	0.47	0.48	-	0.48
Current Tax Assets (Net)		18.63	-	18.63	23.22	-	23.22
Other Current Assets		155.64	-	155.64	97.20	-	97.20
<b>Total Current Assets</b>		<b>634.45</b>	<b>(79.69)</b>	<b>554.76</b>	<b>554.07</b>	<b>(69.41)</b>	<b>484.66</b>
<b>Total Assets</b>		<b>3,040.98</b>	<b>297.00</b>	<b>3,337.98</b>	<b>2,581.70</b>	<b>302.01</b>	<b>2,883.71</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
Equity Share Capital		166.10	-	166.10	166.10	-	166.10
Other Equity		844.72	120.49	965.21	1,016.13	140.22	1,156.35
<b>Total Equity</b>		<b>1,010.82</b>	<b>120.49</b>	<b>1,131.31</b>	<b>1,182.23</b>	<b>140.22</b>	<b>1,322.45</b>
<b>Non-Current Liabilities</b>							
Financial Liabilities		-	-	-	-	-	-
Borrowings	9	980.76	(10.15)	970.61	674.55	(4.95)	669.60
Other Financial Liabilities		19.81	-	19.81	14.97	-	14.97
Provisions	8	23.61	(3.74)	19.87	5.27	(0.68)	4.59
Other Non-Current Liabilities		2.65	-	2.65	-	-	-
<b>Total Non-Current Liabilities</b>		<b>1,026.83</b>	<b>(13.89)</b>	<b>1,012.94</b>	<b>694.79</b>	<b>(5.63)</b>	<b>689.16</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Particulars	Notes	March 31, 2016 (End of last period presented under previous GAAP)			April 1, 2015 (Date of transition)		
		Previous GAAP*	Adjustments	As per Ind AS balance sheet	Previous GAAP*	Adjustments	As per Ind AS balance sheet
<b>Current Liabilities</b>							
Financial Liabilities							
Borrowings		198.85	-	198.85	99.17	-	99.17
Trade Payables		146.55	-	146.55	120.79	0.69	121.48
Other financial liabilities	6 & 10	519.05	3.12	522.17	404.86	3.24	408.10
Provisions		0.91	-	0.91	4.44	0.00	4.44
Other Current Liabilities		137.97	187.28	325.25	75.45	163.46	238.91
Current tax liabilities (Net)		-	-	-	-	-	-
<b>Total Current Liabilities</b>		<b>1003.33</b>	<b>190.40</b>	<b>1193.73</b>	<b>704.71</b>	<b>167.39</b>	<b>872.10</b>
<b>Total Equity and Liabilities</b>		<b>3,040.98</b>	<b>297.00</b>	<b>3,337.98</b>	<b>2,581.73</b>	<b>301.98</b>	<b>2,883.71</b>

Reconciliation of Net profit / (loss) as reported under previous GAAP vis-a-vis Ind AS is as below

Particulars	Notes	Year Ended 31st March 16 (End of last period presented under previous GAAP)		
		Previous GAAP*	Adjustments	As per Ind AS balance sheet
Revenue from Operations	12	1,178.82	(75.86)	1,102.96
Other Income	5,6,7,10 & 11	14.48	3.42	17.90
<b>Total Income</b>		<b>1,193.30</b>	<b>(72.44)</b>	<b>1,120.86</b>
<b>EXPENSES</b>				
Pay Channel Cost		419.97	(50.73)	369.24
Other Operational Expenses	5	209.52	-	209.52
Employee Benefits Expense	8 & 13	82.39	(2.75)	79.64
Finance Cost	9	90.76	(1.27)	89.49
Depreciation, Amortization and Impairment		254.49	-	254.49
Other Expenses		270.46	-	270.46
<b>Total Expenses</b>		<b>1,327.59</b>	<b>(54.75)</b>	<b>1,272.84</b>
<b>Profit / (loss) before Exceptional items and Tax</b>		<b>(134.29)</b>	<b>(17.69)</b>	<b>(151.98)</b>
Prior Period Expenses		0.69	0.69	0.00
Exceptional Items		36.35	-	36.35
<b>Profit / (Loss) before Tax</b>		<b>(171.33)</b>	<b>(17.00)</b>	<b>(188.33)</b>
Tax Expense:				
Current tax		-	-	-
Deferred tax		-	-	-
<b>Profit/ (loss) for the year</b>		<b>(171.33)</b>	<b>(17.00)</b>	<b>(188.33)</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## Reconciliation of other equity March 31, 2016 and April 1, 2015

Particulars	Notes	March 31, 2016 (End of last period presented under previous GAAP)	April 1, 2015 (Date of transition)
<b>Other Equity under Previous GAAP</b>		844.72	1016.13
<b>Increase / (Decrease):</b>			
Effect of Activation Income being deferred and amortised over customer relationship period	12	(187.28)	(163.46)
Effect of measuring financial instruments at fair value	2,3,5,6,7,9,10 & 11	387.46	393.41
Effect of expected credit loss	4	(79.69)	(89.72)
Re-measurements of defined benefit plans	8 & 13	2.75	-
Other Comprehensive Income	8 & 13	(2.75)	-
<b>Other Equity as reported under Ind AS</b>		<b>965.21</b>	<b>1,156.35</b>

## Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016

Particulars	Notes	Year Ended 31 Mar 16 (End of last period presented under previous GAAP)		
		Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities		181.03	-	181.03
Net cash flow from investing activities		(640.73)	-	(640.73)
Net cash flow from financing activities	14	466.49	(8.65)	457.84
<b>Net increase/(decrease) in cash and cash equivalents</b>	14	6.79	(8.65)	(1.86)
<b>Cash and cash equivalents at the April 1, 2015</b>	14	20.41	(10.00)	10.41
Cash and Cash equivalents as at March 31, 2016	14	27.20	(18.65)	8.55

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

## Foot notes for Ind AS adjustments

### Note 1: Property, Plant and Equipment

The Company has availed the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipments and Intangibles recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

### Note 2: Non current investments - Investments in equity instruments

#### (a) Investment in subsidiaries and joint ventures and associates :-

Under Ind AS, a first- time adopter can measure investments in each subsidiary, joint venture and associate at cost determined in accordance with Ind AS 27 or at deemed cost. The deemed cost of the investment can be the fair value of the investment at the transition date or the previous GAAP carrying amount. The Company has opted to value its investments in certain subsidiaries and joint ventures at deemed cost using the fair value option.

#### (b) Investment in Other companies :-

Under previous GAAP, non current investment in equity instruments of other companies were measured at cost less provision for diminution (other than temporary). Under Ind AS, the Company has recognised such investments at FVTOCI through irrevocable option. On the date of transition to Ind AS, the difference between the fair value of Non-Current Investments as per Ind AS and their corresponding carrying amount as per financial statements prepared under previous GAAP, has resulted in decrease in the carrying amount of these investments which has been recognised directly in opening retained earnings.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## Note 3: Current investments - Investments in Mutual funds

Under previous GAAP, current investments were measured at lower of cost or fair value. Under Ind AS, these investments have been classified as FVTPL on the date of transition.

## Note 4: Loss allowance on Trade receivables

Under the previous GAAP, the Company has created provision for impairment of receivables consisting specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on the Expected Credit Loss Model which has led to an increase in the amount of provision as on the date of transition.

## Note 5: Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the company has fair valued these security deposits under Ind AS and the difference between the fair value and the transaction value of the security deposit has been recognised as prepaid rent.

## Note 6: Financial corporate guarantee

The Company has issued corporate guarantee on behalf of its joint ventures for the borrowings taken by them. Under previous GAAP, financial guarantee contracts were not accounted for. The Company has recognised finance guarantee obligation at fair value with corresponding recognition in investments. Interest income is recognised with a corresponding reduction from Finance Guarantee Obligation.

## Note 7: Investment in Preference Shares

The preference shares do not meet the definition of equity instrument as per Ind AS 32 and are held to collect contractual cashflows, hence they are fair valued at amortised cost. The fair value is determined using the present value method using the discount rate which is the borrowing market rate. The difference between the amount paid for acquiring the preference shares and its fair value is considered as investment in equity. The Company has accrued interest using the effective interest rate (discount rate) over the term of the preference shares.

## Note 8: Defined benefit obligations

Under previous GAAP, actuarial gains and losses were recognised in Statement of Profit and Loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss.

## Note 9: Borrowings

Under previous GAAP, in case of fixed interest rate borrowings, transaction cost incurred were charged to statement of profit and loss on straight line basis over the tenure of the borrowings. As per Ind AS 109, the transaction costs incurred towards origination of borrowings are deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as part of the interest expense by applying effective interest rate method (i.e., amortised cost method).

As per Ind AS 109, for variable interest rate borrowings, the transaction costs incurred towards origination of borrowings are deducted from the carrying amount of borrowings on initial recognition. Accordingly, the unamortised balance of transaction cost has been deducted from the carrying amount of the borrowings as on the date of transition.

## Note 10: Derivative Instruments - Forward contracts

Under previous GAAP, there is concept of deferred premium/discount which is recognised based on difference between spot rate and forward rate and amortised over the tenure of the forward contract. Under Ind AS, forward contract is required to accounted at fair value. Accordingly, the Company has reversed deferred premium outstanding in the books of accounts.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### Note 11: Loan given to subsidiaries and joint ventures

Under previous GAAP, interest free loans given to subsidiaries and joint ventures are accounted at their transaction value. Under Ind AS, the Company has discounted the interest free loans given to subsidiaries and joint ventures with corresponding increase in the investment.

### Note 12: Deferment of activation income

Under previous GAAP, activation income is recognized upfront as revenue. Under Ind AS, supply of services involving a non-refundable fee along with subsequent periodic payments for services in future are construed as linked transactions. All linked transactions where individual transactions have no commercial meaning on their own and occurrence of one is dependent on occurrence of another are to be evaluated on combined basis. Activation fee, which in substance is an advance payment for future services or the ongoing services being provided are essential to the subscribers receiving the expected benefit of the upfront payment of activation fee. Accordingly, activation fee is earned as services are provided over the term of the arrangement and need to be deferred over the expected customer relationship period (i.e. expected life of the customer).

### Note 13: Other Comprehensive income

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, items of income or expense that are not recognised in statement of profit and loss are recognised as "other comprehensive income" which includes remeasurement of defined benefit plans.

### Note 14: Inclusion of Bank Overdraft for the purpose of Cashflow

Under Ind AS, bank overdrafts which are repayable on demand and form an integral part of the Company's cash management system and are included in cash and cash equivalents for the purpose of presentation of Statement of Cash flows. Whereas under previous GAAP, there was no similar guidance and hence, bank overdrafts were considered similar to other borrowings and the movements therein were reflected in cash flows from financing activities.

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

**(Vinayak Aggarwal)**

Director

DIN : 00007280

**(Rajan Gupta)**

DIN : 07603128

Managing Director

**(Ajay Singh)**

Head Legal, Company Secretary  
and Chief Compliance Officer

FCS - 5189

**(Vineet Garg)**

Chief Financial Officer

Place: Mumbai

Date : May 30, 2017

Place: Mumbai

Date : May 30, 2017

# INDEPENDENT AUDITOR'S REPORT

To the Members of Hathway Cable and Datacom Limited

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **Hathway Cable and Datacom Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and its associates comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of 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 that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures and associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act read with relevant rules issued thereunder. The respective Governing bodies of the entities included in the Group and of its joint ventures and associates 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## 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 of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable pronouncements issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 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 and based on the consideration of reports of other auditors of the subsidiaries, joint ventures and associates, 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 joint ventures and associates as at March 31, 2017, and their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

## EMPHASIS OF MATTER

We draw your attention to:

- a) Note no. 4.13(A) to consolidated financial statements regarding exclusion of step down joint venture by the management from consolidation on account of outstanding disputes;

- b) As stated in Note no. 4.13(B) to the consolidated financial statements in view of non-availability of audited financial statements of seven joint ventures, the consolidated financial statements have been prepared considering the provisional management accounts of such entities. The consolidated financial statements include the Group's share of net loss of ₹ 7.34 crores for the year ended on March 31, 2017 as considered in the consolidated financial statements. Amounts and disclosures included in respect of these entities, is solely based on the unaudited information provided by the Management of the Company;
- c) Note no. 4.19 in respect of basis of recognition of income relating to networks under Digital Addressable System. The management has represented that they are confident of realising the income recognised and hence, no adjustment has been made to such income;

Our opinion is not qualified in respect of these matters.

#### OTHER MATTERS

We did not audit (a) financial statements of eighteen subsidiaries whose financial statements reflect total assets of ₹ 118.75 crores as at March 31, 2017 and net assets of ₹ (54.49) as at March 31, 2017, total revenues of ₹ 52.70 and net cash inflows amounting to ₹ 0.18 crores for the year ended on that date (b) the consolidated financial statements of one joint venture, whose financial statements include the Group's share of net profit after tax ₹ 16.87 crores, and (c) the Group's share of net profit after tax of ₹ 0.42 crores in respect of nine joint ventures for the year ended on March 31, 2017, as considered in the consolidated financial statements. These financial statements and other financial information 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, joint ventures and associates, and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

Apart from above, as stated in the Note no. 4.13(B) of the consolidated financial statements and para (b) of the Emphasis of the Matter paragraph above, the Group's share of net loss of ₹ 7.34 crores for the year ended on March 31, 2017 as considered in the consolidated financial statements, in respect of seven joint ventures, whose financial statements have not been audited by us. These financial statements and other financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements 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.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on consideration of report of the other auditors of subsidiaries, joint ventures and associates, as noted in the "other matter" paragraph, 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, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries joint ventures and associates incorporated in India, none of the directors of the Group companies, its joint ventures and associates incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial control over financial reporting of the Holding Company, its subsidiary companies, joint venture and associates incorporated in India and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' which is based on the auditor's reports of the Holding Company, subsidiary companies, joint ventures and associates incorporated in India. Our report expresses an unmodified opinion on the adequacy

and operating effectiveness of the Holding company's / subsidiary companies / joint ventures / associates, incorporated in India, internal financial controls over financial reporting ; and

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors of subsidiaries, joint ventures and associates, as noted in the "other matter" paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint ventures and associates. Refer Note 4.04 and 4.12(c) to the consolidated financial statements.
- ii. The Group, its joint ventures and associates did not have any material foreseeable losses on long term contracts including derivative contracts;
- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund

by the Holding Company, its subsidiary, its joint ventures and associates except for delay in transferring by Holding company an amount of ₹ 29,375 (Amount in ₹) in respect of unclaimed share application money as explained in Note 4.22 to the consolidated financial statements ; and

- iv. The Group, its joint ventures and associates have provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the relevant books of accounts maintained by the Group, its joint ventures and associates. Refer Note 2.12 to the consolidated financial statements.

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

Chartered Accountants  
Firm's Registration No: 104767W

**Viren Thakkar**

Mumbai  
Dated: May 30, 2017

Partner  
Membership No: 49417

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date to the members of Hathway Cable and Datacom Limited ("the Holding Company) on the consolidated financial statements for the year ended March 31, 2017:**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(I) OF THE ACT**

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Hathway Cable and Datacom Limited (hereinafter referred to as 'the Holding Company') and its subsidiary companies, its joint ventures and associates, which are companies incorporated in India, as of that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding company, its subsidiary companies, its joint ventures and associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Holding Company, its subsidiary companies, its joint ventures and associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**OTHER MATTERS**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls over financial reporting in so far as it relates to eighteen subsidiaries, ten joint ventures and one associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Mumbai  
Dated: May 30, 2017

**Viren Thakkar**  
Partner  
Membership No: 49417

**CONSOLIDATED BALANCE SHEET**

AS AT MARCH 31, 2017

(₹ in Crore unless otherwise stated)

	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	2.01	1,568.59	1,376.23	1,176.12
Capital work in progress		120.98	277.86	156.67
Goodwill	2.02	92.88	87.70	73.55
Other Intangible assets	2.02	93.99	92.85	116.27
Investment in Joint venture and Associates	2.03	718.62	713.72	684.61
<b>Financial assets</b>				
Investments	2.04	0.16	4.41	4.41
Trade receivables	2.05	-	1.35	3.57
Loans	2.06	0.93	24.49	5.11
Other financial assets	2.07	48.44	58.26	98.34
Deferred tax assets (Net)	2.08	2.78	2.55	1.12
Other Non-current assets	2.09	121.42	141.43	88.24
<b>Total Non-current assets</b>		<b>2,768.79</b>	<b>2,780.85</b>	<b>2,408.01</b>
<b>Current Assets</b>				
Inventories	2.10	21.66	18.26	6.06
<b>Financial Assets</b>				
Investments	2.11	-	*	89.30
Trade receivables	2.05	345.11	285.86	230.27
Cash and cash equivalents	2.12	50.91	41.59	33.11
Bank balances other than Cash and cash equivalents	2.13	0.02	0.01	0.01
Loans	2.06	23.96	17.90	11.64
Other financial assets	2.07	17.49	8.75	4.34
Current tax assets (Net)	2.14	30.02	28.90	31.85
Other current assets	2.09	155.05	172.18	106.40
<b>Total current assets</b>		<b>644.22</b>	<b>573.45</b>	<b>512.98</b>
Non-current assets classified as held for sale		0.72	0.47	0.48
<b>Total Assets</b>		<b>3,413.73</b>	<b>3,354.77</b>	<b>2,921.47</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	2.15	166.10	166.10	166.10
Other Equity	2.16	729.25	922.72	1,146.89
<b>Equity attributable to owners of the Company</b>		<b>895.35</b>	<b>1,088.82</b>	<b>1,312.99</b>
Non - controlling interests		0.87	1.20	0.49
<b>Total equity</b>		<b>896.22</b>	<b>1,090.02</b>	<b>1,313.48</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	2.17	934.77	973.38	669.68
Trade payables		0.03	0.03	-
Other financial liabilities	2.18	16.33	19.81	14.97
Provisions	2.19	9.65	20.03	4.79
Deferred tax liabilities (Net)	2.08	1.45	1.62	0.46
Other Non-current liabilities	2.21	4.54	3.55	0.63
<b>Total Non-current liabilities</b>		<b>966.77</b>	<b>1,018.42</b>	<b>690.53</b>
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	2.17	130.25	199.28	100.02
Trade payables		176.26	177.68	144.38
Other financial liabilities	2.18	849.60	534.70	419.63
Other current liabilities	2.21	388.64	331.16	246.53
Provisions	2.19	5.97	3.47	6.84
Current Tax Liabilities (Net)	2.20	0.02	0.04	0.06
<b>Total current liabilities</b>		<b>1,550.74</b>	<b>1,246.33</b>	<b>917.46</b>
<b>Total Equity and Liabilities</b>		<b>3,413.73</b>	<b>3,354.77</b>	<b>2,921.47</b>
<b>Summary of Significant Accounting Policies</b>	1			
<b>Refer accompanying notes. These notes are integral part of the financial statements.</b>				

\* Amount less than ₹ 50,000

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

**(Vinayak Aggarwal)**  
Director  
DIN : 00007280

**(Ajay Singh)**  
Head Legal, Company Secretary  
and Chief Compliance Officer  
FCS - 5189

**(Rajan Gupta)**  
DIN : 07603128  
Managing Director

**(Vineet Garg)**  
Chief Financial Officer

Place: Mumbai  
Date : May 30, 2017

Place: Mumbai  
Date : May 30, 2017

# CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Crore unless otherwise stated)

	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
<b>INCOME</b>			
Revenue From Operations	3.01	1,344.40	1,136.87
Other Income	3.02	23.83	18.17
<b>Total Income</b>		<b>1,368.23</b>	<b>1,155.04</b>
<b>EXPENSES</b>			
Pay channel cost		471.69	433.56
Other operational expenses	3.03	256.47	203.65
Employee benefits expense	3.04	93.15	86.20
Finance costs	3.05	110.75	89.84
Depreciation and amortization expense	3.06	305.75	258.86
Other expenses	3.07	325.86	292.52
<b>Total Expenses</b>		<b>1,563.66</b>	<b>1,364.63</b>
<b>Profit / (loss) before share of profit/(loss) of an associates / a joint ventures and exceptional items</b>		<b>(195.43)</b>	<b>(209.59)</b>
Share of profit / (loss) of an associate and joint ventures		2.89	(11.01)
<b>Profit / (loss) before exceptional items and tax</b>		<b>(192.54)</b>	<b>(220.60)</b>
Exceptional items	3.08	0.74	17.37
<b>Profit / (loss) before tax</b>		<b>(193.28)</b>	<b>(237.97)</b>
Tax expenses :	3.09		
Current tax		0.10	0.07
Deferred tax		(0.44)	(0.36)
		<b>0.34</b>	<b>0.29</b>
<b>Profit / (loss) for the year</b>		<b>(192.94)</b>	<b>(237.68)</b>
<b>Other comprehensive income / (loss) (Net of Taxes)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Share of Other Comprehensive income / (Loss) of associates and joint ventures		(0.05)	0.08
Remeasurements of the defined benefit plans		0.31	(2.91)
Income tax relating to items that will not be reclassified to profit or loss	3.09	-	-
<b>Total other comprehensive income / (losses)</b>		<b>0.26</b>	<b>(2.83)</b>
<b>Total comprehensive income / (losses) for the year</b>		<b>(192.68)</b>	<b>(240.51)</b>
<b>Profit/(Loss) for the year attributable to:</b>			
Owners of the Parent		(192.50)	(236.67)
Non-controlling interests		(0.44)	(1.02)
		<b>(192.94)</b>	<b>(237.68)</b>
<b>Other comprehensive income / (losses) for the year attributable to:</b>			
Owners of the Parent		0.26	(2.83)
Non-controlling interests		-	-
		<b>0.26</b>	<b>(2.83)</b>
<b>Total comprehensive income / (losses) for the year attributable to :</b>			
Owners of the Parent		(192.24)	(239.50)
Non-controlling interests		(0.44)	(1.02)
		<b>(192.68)</b>	<b>(240.52)</b>
<b>Earnings / (Loss) per equity share (Face value of ₹ 2 /- each) (Refer Note 4.01) :</b>			
Basic and diluted (in ₹)		(2.32)	(2.86)
<b>Significant accounting policies</b>	1		
<b>Refer accompanying notes. These notes are integral part of the financial statements.</b>			

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

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

**(Vinayak Aggarwal)**  
 Director  
 DIN : 00007280

**(Ajay Singh)**  
 Head Legal, Company Secretary  
 and Chief Compliance Officer  
 FCS - 5189

Place: Mumbai  
 Date : May 30, 2017

For and on behalf of the Board

**(Rajan Gupta)**  
 DIN : 07603128  
 Managing Director

**(Vineet Garg)**  
 Chief Financial Officer

Place: Mumbai  
 Date : May 30, 2017

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2017

(₹ in Crore unless otherwise stated)

## A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
<b>Balance at April 1, 2015</b>	2.15	166.10
Changes in equity share capital during the year		-
<b>Balance at March 31, 2016</b>	2.15	<b>166.10</b>
Changes in equity share capital during the year		-
<b>Balance at March 31, 2017</b>	2.15	<b>166.10</b>

## B. OTHER EQUITY

Particulars	Reserves and Surplus				Amount attributable to Owners of the parent	Non controlling interests (NCI)	Total
	Capital Reserve	Securities Premium Account	Share Options Outstanding Account	Retained earnings			
<b>Balance at April 1, 2015</b>	<b>0.10</b>	<b>1,877.01</b>	<b>0.07</b>	<b>(730.29)</b>	<b>1,146.89</b>	<b>0.49</b>	<b>1,147.38</b>
Profit/ (Loss) for the year	-	-	-	(236.67)	(236.67)	(1.02)	(237.69)
Amount transferred on change in stake in Subsidiaries / Joint ventures	-	-	-	15.38	15.38	1.72	17.11
<b>Other comprehensive income / (loss) for the year</b>							
Remeasurements of the defined benefit plans	-	-	-	(2.91)	(2.91)	-	(2.91)
Share of other comprehensive income/ (loss) of Joint ventures and Associates	-	-	-	0.08	0.08	-	0.08
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(224.11)</b>	<b>(224.11)</b>	<b>0.70</b>	<b>(223.41)</b>
Expired during the year	-	-	(0.06)	-	(0.06)	-	(0.06)
<b>Balance at March 31, 2016</b>	<b>0.10</b>	<b>1,877.01</b>	<b>0.01</b>	<b>(954.41)</b>	<b>922.72</b>	<b>1.20</b>	<b>923.92</b>
Profit/ (Loss) for the year	-	-	-	(192.50)	(192.50)	(0.44)	(192.94)
Amount transferred on change in stake in Subsidiaries / Joint ventures	-	-	-	(1.25)	(1.25)	0.12	(1.25)
<b>Other comprehensive income</b>							
Remeasurements of the defined benefit plans	-	-	-	0.32	0.32	-	0.32
Share of other comprehensive income/ (loss) of Joint ventures and Associates	-	-	-	(0.05)	(0.05)	-	(0.05)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(193.48)</b>	<b>(193.48)</b>	<b>(0.32)</b>	<b>(193.81)</b>
Expired during the year	-	-	(0.01)	-	(0.01)	-	(0.01)
<b>Balance at March 31, 2017</b>	<b>0.10</b>	<b>1,877.01</b>	<b>-</b>	<b>(1,147.89)</b>	<b>729.25</b>	<b>0.87</b>	<b>730.12</b>
<b>Significant Accounting Policies (Refer Note 1)</b>							
<b>Refer accompanying notes. These notes are an integral part of the financial statements.</b>							

As per our report of even date

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

Chartered Accountants

Firm's Registration No : 104767W

**(Viren Thakkar)**

Partner

Membership No : 49417

**(Vinayak Aggarwal)**

Director

DIN : 00007280

**(Ajay Singh)**Head Legal, Company Secretary  
and Chief Compliance Officer

FCS - 5189

**For and on behalf of the Board****(Rajan Gupta)**

DIN : 07603128

Managing Director

**(Vineet Garg)**

Chief Financial Officer

Place: Mumbai

Date : May 30, 2017

Place: Mumbai

Date : May 30, 2017

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Crore unless otherwise stated)

	Year ended March 31, 2017	Year ended March 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Tax</b>	(193.28)	(237.97)
Depreciation, amortization and Impairment	305.75	258.86
Share of (Profit) / Loss in Joint Venture / associates	(2.89)	11.01
Share of loss from LLP	1.29	0.35
Impairment of trade receivables	48.27	60.66
Amount no longer payable written back	(0.42)	(0.02)
Allowance for bad & doubtful Advances	8.80	0.01
Provision (Excess provision Reversed) for leave encashment and gratuity	0.28	5.11
Employee share-based payment expense	(0.01)	(0.06)
Unrealised foreign exchange loss / (gain)	(2.36)	(0.12)
Unwinding of interest	(0.79)	(0.58)
Allowance for Doubtful Advances /Impairment in value of Investments / Impairment of Trade Receivables from Entities Under Control / Joint control and other entities	10.20	13.62
Marked down in value of certain assets towards abnormal wear and tear	0.24	-
Reversal of Provision for Entertainment Tax for earlier years	(9.70)	-
Impairment of Property, plant and Equipments	-	-
Net Loss on disposal of property, plant and equipment	3.88	3.28
Net Gain on sale of current investments	(0.24)	(5.79)
MTM loss on swap	(11.69)	13.51
Income from Investments	(4.37)	(5.44)
Interest and finance charges	110.75	89.84
	<b>263.71</b>	<b>206.26</b>
<b>Change in operating assets and liabilities :</b>		
Decrease/(increase) in trade receivables	(107.09)	(114.02)
Decrease/(increase) in inventories	(3.40)	(12.20)
Increase/(decrease) in trade payables	(1.02)	33.38
Increase/(decrease) in other financial assets	4.22	33.46
Decrease/(increase) in other non-current assets	53.05	(69.58)
Decrease/(increase) in other current assets	25.14	(94.14)
Increase/(decrease) in provisions	(7.64)	10.85
Increase/(decrease) in other liabilities	57.75	81.42
Increase/(decrease) in other financial liabilities	65.72	(11.05)
<b>Cash generated from operations</b>	<b>350.44</b>	<b>64.37</b>
Direct taxes paid (net of refunds)	(25.83)	18.97
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>324.61</b>	<b>83.34</b>
<b>Cash flow from investing activities</b>		
Payments for acquisition of property, plant and equipment	(360.52)	(565.25)
Proceeds from sale of property, plant and equipment	21.67	2.48
Payments for purchase of investments	(2.10)	(580.46)
Proceeds from sale of investments	4.27	634.36
Amount transferred on change in stake in Subsidiaries/ Joint Ventures	(1.10)	17.11
Loans & Advances (Net)	(0.21)	(25.74)
Income from investments	3.84	6.46
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(334.15)</b>	<b>(511.05)</b>

 CORPORATE  
OVERVIEW

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**CONSOLIDATED CASH FLOW STATEMENT**

FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Crore unless otherwise stated)

	Year ended March 31, 2017	Year ended March 31, 2016
<b>Cash flows from financing activities</b>		
Net Proceeds from Long Term Borrowings	201.04	423.88
Net Proceeds/(Repayments) of short-term Borrowings	(70.38)	90.60
Interest and finance charges	(113.15)	(86.94)
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>17.51</b>	<b>427.54</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+ C)</b>	<b>7.97</b>	<b>(0.17)</b>
Cash and cash equivalents at the beginning of the year	41.59	33.11
Bank overdraft	(18.65)	(10.00)
<b>Cash and cash equivalents at the end of the year</b>	<b>30.91</b>	<b>22.94</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement :</b>		
Cash and cash equivalents		
Balances with banks:		
On current accounts	45.91	35.45
Deposits with original maturity of less than 3 months	0.12	*
Cheques/drafts on hand	0.75	1.62
Cash on hand	4.13	4.51
Bank overdrafts	(20.00)	(18.65)
<b>Balance as per the cash flow statement :</b>	<b>30.91</b>	<b>22.94</b>

\* Amount less than ₹ 50,000

**Note :**

Above statement has been prepared by using Indirect method as per Ind AS - 7 on Statement of Cash flows

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

**(Vinayak Aggarwal)**

Director

DIN : 00007280

**(Rajan Gupta)**

DIN : 07603128

Managing Director

**(Ajay Singh)**Head Legal, Company Secretary  
and Chief Compliance Officer

FCS - 5189

**(Vineet Garg)**

Chief Financial Officer

Place: Mumbai

Date : May 30, 2017

Place: Mumbai

Date : May 30, 2017

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

## BACKGROUND

Hathway Cable and Datacom Limited (“the Company”) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is 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.

## AUTHORIZATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were authorized for issue in accordance with a resolution of the directors on May 30, 2017

## 1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these consolidated financial statements. The financial statements are of the Company and its subsidiaries (collectively, “the Group”).

### 1.1 BASIS OF PREPARATION

#### (i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”) and relevant rules issued thereunder. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

The consolidated financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) (“previous GAAP”) and other relevant provisions of the Act.

These consolidated financial statements are the first consolidated financial statements of the Group under Ind AS. Refer Note 4.23 for an explanation of how the transition from previous GAAP to Ind AS has affected the Group’s financial position, financial performance and cash flows. The date of transition to Ind AS is April 1, 2015.

#### (ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- assets held for sale – measured at fair value less cost to sell; and
- defined benefit plans – plan assets measured at fair value;

### 1.2 ROUNDING OF AMOUNTS

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crores, except where otherwise indicated.

### 1.3 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current if:

- (i) it is expected to be realised or intended to sold or consumed in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is expected to be realised within twelve months after the reporting period, or
- (iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

All other assets are classified as non-current.

A liability is classified as current if:

- (i) it is expected to be settled in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is due to be settled within twelve months after the reporting period, or
- (iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. 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.

## 1.4 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

While preparing consolidated financial statements in conformity with Ind AS, the management make certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as below:

### Key sources of estimation uncertainty

- (i) Financial instruments; (Refer note 4.08)
- (ii) Useful lives of Property, Plant and Equipment and intangible assets; (Refer note 1.6)
- (iii) Valuation of inventories; (Refer note 1.10)
- (iv) Assets and obligations relating to employee benefits; (Refer note 4.03)
- (v) Expected customer relationship period (i.e. expected life of the customer); (Refer note 1.17)
- (vi) Evaluation of recoverability of deferred tax assets; (Refer note 2.08) and
- (vii) Contingencies (Refer note 4.04).

### Critical accounting judgements

The Company has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities have been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements and Ind AS 111 – Joint Arrangements. Accordingly, the entities mentioned below are considered as Joint ventures.

- (i) GTPL Hathway Ltd (f.k.a GTPL Hathway Pvt Ltd)
- (ii) Hathway Sai Star Cable and Datacom Pvt Ltd

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

- (iii) Hathway Digital Saharanpur Cable and Datacom Pvt Ltd
- (iv) Hathway MCN Pvt Ltd
- (v) Hathway Channel 5 Cable and Datacom Pvt Ltd
- (vi) Hathway Mysore Cable Network Pvt Ltd (till March 25, 2017 and subsidiary thereafter)
- (vii) Net 9 Online Hathway Pvt Ltd
- (viii) Hathway Cable MCN Nanded Pvt Ltd
- (ix) Hathway Latur MCN Cable and Datacom Pvt Ltd
- (x) Hathway Palampur Cable Network Pvt Ltd
- (xi) Hathway ICE Television Pvt Ltd
- (xii) Hathway Sonali OM Crystal Cable Pvt Ltd
- (xiii) Hathway Dattatray Cable Network Pvt Ltd
- (xiv) Hathway Prime Cable and Datacom Pvt Ltd
- (xv) Hathway New Concept Cable and Datacom Pvt Ltd (till October 29, 2015 and subsidiary thereafter)
- (xvi) Hathway Software Developers Pvt Ltd (till May 28, 2015 and subsidiary thereafter)
- (xvii) Hathway SS Cable & Datacom LLP
- (xviii) Hathway CBN Multinet Pvt Ltd
- (xix) Hathway CCN Multinet Pvt Ltd
- (xx) Hathway CCN Entertainment India Pvt Ltd
- (xxi) Hathway CCN Multi Entertainment Pvt Ltd
- (xxii) Hathway Bhawani NDS Network Pvt Ltd

## 1.5 PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

### (i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the noncontrolling interests having a deficit balance.

### (ii) Associates

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

### (iii) Joint Ventures

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

### (iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.8 below.

### (v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity (note 4.12).

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or joint venture. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. The amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to statement of profit and loss where appropriate.

## 1.6 PROPERTY, PLANT AND EQUIPMENT

- (i) Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

- (ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.
- (iii) Set Top Boxes (STBs) and 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.
- (iv) An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.
- (v) The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- (vi) Stores & Spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.
- (vii) Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Group has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the cost of STBs & Internet Access devices at the customer location which are depreciated on straight-line method over a period of eight years based on internal technical assessment.
- (viii) In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- (ix) All assets costing up to ₹ 5,000/- are fully depreciated in the year of capitalisation.
- (x) Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

## 1.7 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

### Intangible Assets acquired separately

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

Intangible assets with finite useful lives that are acquired are recognized only if they are separately identifiable and the Group expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortization and impairment losses. Amortisation is recognised on straight line basis over their estimated useful lives. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

## **Intangible Assets acquired in business combination**

Intangible Assets acquired in business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

## **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

## **Amortisation of intangible assets**

The intangible assets with finite useful lives are amortized on a straight line basis over their useful economic lives and assessed for impairment whenever there is indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows:

- Softwares are amortized over the license period and in absence of such tenor, over five years.
- Movie & Serial Rights are amortized on exploitation over the balance license period in equal installments
- Bandwidth Rights are amortized over the period of the underlying agreements.

The estimated useful lives, residual values, amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

## **1.8 IMPAIRMENT OF ASSETS**

Carrying amount of Tangible assets, Intangible assets and Investments in Joint Ventures and Associates (accounted under equity method) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Group's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## **1.9 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

## 1.10 INVENTORIES

Inventories are valued as follows:

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

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

## 1.11 CASH AND CASH EQUIVALENTS

For the purpose of Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 1.12 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

### Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

### Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

### Amortised Cost:

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

## **FVTOCI:**

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## **FVTPL:**

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

## **Impairment of Financial Assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## **Classification and Subsequent measurement: Financial Liabilities**

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

## **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

## **Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

## **Derecognition of Financial Assets and Financial Liabilities:**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

## Offsetting Financial Instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## 1.13 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS:

### Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received.

## 1.14 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 1.15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

### Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

## 1.16 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

### (i) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of profit & loss of the year in which the related services are rendered.

### (ii) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

## Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

## Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### (iii) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iv) Bonus Plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## 1.17 REVENUE RECOGNITION

### (i) Income from Rendering of services

Subscription income includes subscription from Subscribers / Cable Operators relating to cable TV, Internet, activation of devices and from broadcasters relating to the placement of channels. Revenue from Operations is recognized on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties.

Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the Group. In cases where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Group 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.

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

Activation fee, which in substance is an advance payment for future services or the ongoing services being provided are essential to the subscribers receiving the expected benefit of the upfront payment of activation fee. Accordingly, activation fee is earned as services are provided and deferred over the expected customer relationship period (i.e. expected life of the customer).

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 Internet Service plans, entire revenue is recognized in the period of sale.

Advertisement revenue is accrued on release of the advertisement for public viewing.

Income from consultancy services is recognized when the services are completed.

The Group's policy for recognition of revenue from operating leases is described in note below on Leases.

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

## (ii) Sale of goods

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

The Group 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.

## (iii) 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.

## (iv) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

## (v) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

## 1.18 TAXES ON INCOME

### Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

## **Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## **1.19 EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing cost associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **1.20 LEASES**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

### **As a Lessee**

#### **Finance Lease**

Leases of Property, Plant and Equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## As a Lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

## 1.21 FOREIGN CURRENCY TRANSACTIONS

### (i) Functional and presentation currency

The Group's consolidated financial statements are prepared in INR, which is also the Group's functional and presentation currency.

### (ii) Transactions and balances

#### Monetary items

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss.

#### Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## 1.22 FIRST TIME ADOPTION – MANDATORY EXCEPTIONS, OPTIONAL EXEMPTIONS

### Overall principle

The Group has prepared the opening consolidated Balance Sheet as per Ind AS as of the transition date by recognising all assets and liabilities whose recognition is required by Ind AS,

- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to the certain exception and certain optional exemptions availed by the Group as detailed below .

### Classification of debt instruments

The Group has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS

## **Past business combinations**

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015. Consequently,

- the Group has kept the same classification for the past business combinations as in its previous GAAP consolidated financial statements;
- the Group has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the standalone balance sheet of the acquiree and would also not qualify for recognition in accordance with Ind AS in the balance sheet of the Group;
- The Group has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Group has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

## **Deemed cost for Property, Plant and Equipment and intangible assets**

The Group has elected to continue with the carrying value of all of its Property, Plant and Equipment and intangible assets recognised as of the transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

## **Determining whether an arrangement contains a lease**

The Group has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

## **Long term foreign currency monetary item**

The Group has continued with the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements prepared under previous GAAP for the year ended March 31, 2016.

## **Accounting for joint arrangement**

In respect of all the joint ventures which were earlier accounted for using the proportionate consolidation method under previous GAAP, the Group has measured the investments in those joint ventures as the aggregate of corresponding carrying amounts of the assets and liabilities as a deemed cost on the date of transition as per Ind AS 111- Joint Arrangements.

## **Share based payment transaction**

The Group has availed the exemption of not applying Ind AS 102- Share based payment to equity instruments that vested before date of transition to Ind AS.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 2.01 PROPERTY, PLANT AND EQUIPMENT :

(Amount: ₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount					Depreciation / Impairment			Net Block		
	As at April 1, 2016	Addition #	Disposal	Acquisition through business combination	Other Adjustments **	As at March 31, 2017	For the Year***	Elimination on disposal	Other Adjustments **	As at March 31, 2017	As at March 31, 2016
<b>Own Assets:</b>											
Plant and Equipment	1,426.05	448.54	98.34	0.41	67.10	1,843.76	246.95	94.73	12.96	1,488.51	1,235.98
Furniture & Fixtures	11.01	6.16	0.01	0.06	(0.05)	17.17	2.06	*	*	13.37	9.27
Motor Vehicles	2.26	0.02	0.16	*	2.13	2.39	0.36	0.09	0.61	1.52	1.90
Office Equipments	2.20	1.21	0.02	0.01	(0.01)	3.39	0.57	0.01	*	2.10	1.63
Computers	6.42	2.80	0.05	0.01	(0.01)	9.17	1.82	2.40	4.20	4.97	4.60
Air conditioners	3.14	1.94	0.02	-	(0.01)	5.05	0.70	0.92	*	3.43	2.44
Structural fittings	1.13	0.60	-	-	-	1.73	0.22	0.30	-	1.21	0.91
Electrical Fittings	2.65	2.54	*	*	5.19	10.38	0.39	0.64	*	4.16	2.26
Mobile & Telephone	0.71	0.27	-	*	0.98	1.96	0.24	0.22	*	0.52	0.47
Movie Master Tapes	0.01	-	-	-	-	0.01	-	-	-	0.01	0.01
<b>Total (A)</b>	<b>1,455.58</b>	<b>464.08</b>	<b>98.60</b>	<b>0.49</b>	<b>67.02</b>	<b>1,888.58</b>	<b>254.57</b>	<b>94.85</b>	<b>12.96</b>	<b>1,519.80</b>	<b>1,259.47</b>
<b>Assets taken on Finance Lease:</b>											
Plant and Machinery	137.62	-	-	-	(67.46)	70.16	13.40	-	(12.89)	48.79	116.76
<b>Total (B)</b>	<b>137.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(67.46)</b>	<b>70.16</b>	<b>13.40</b>	<b>-</b>	<b>(12.89)</b>	<b>48.79</b>	<b>116.76</b>
<b>Total (A+B)</b>	<b>1,593.20</b>	<b>464.08</b>	<b>98.60</b>	<b>0.49</b>	<b>(0.44)</b>	<b>1,958.74</b>	<b>267.97</b>	<b>94.85</b>	<b>0.07</b>	<b>1,568.59</b>	<b>1,376.23</b>

Particulars	Gross Carrying Amount					Depreciation / Impairment			Net Block		
	Deemed cost as at April 1, 2015	Addition #	Disposal	Acquisition through business combination	Other Adjustments **	As at March 31, 2016	For the Year***	Elimination on disposal	Other Adjustments **	As at March 31, 2016	As at April 1, 2015
<b>Own Assets:</b>											
Plant and Equipment	1,013.91	418.09	17.01	5.11	5.95	1,426.05	200.54	11.34	0.87	1,235.98	1,013.91
Furniture & Fixtures	8.25	2.83	0.07	*	11.01	12.16	1.77	0.03	*	9.27	8.25
Motor Vehicles	0.85	1.44	0.03	*	2.26	2.59	0.36	*	*	1.90	0.85
Office Equipments	1.33	0.87	*	*	2.20	2.57	0.57	*	*	1.63	1.33
Computers	3.56	2.88	0.03	0.01	6.42	6.42	1.84	0.02	*	4.60	3.56
Air conditioners	2.12	1.12	0.10	-	3.14	3.14	0.73	0.03	-	2.44	2.12
Structural fittings	0.93	0.21	0.01	-	1.13	1.13	0.23	0.01	-	0.91	0.93
Electrical Fittings	1.95	0.77	0.07	*	2.65	2.65	0.43	0.04	-	2.26	1.95
Mobile & Telephone	0.26	0.45	*	*	0.71	0.71	0.24	*	-	0.47	0.26
Movie Master Tapes	0.01	-	-	-	0.01	0.01	-	-	-	0.01	0.01
<b>Total (A)</b>	<b>1,033.17</b>	<b>428.66</b>	<b>17.32</b>	<b>5.12</b>	<b>5.95</b>	<b>1,455.58</b>	<b>206.71</b>	<b>11.47</b>	<b>0.87</b>	<b>1,259.47</b>	<b>1,033.17</b>
<b>Assets taken on Finance Lease:</b>											
Plant and Machinery	142.95	-	-	0.62	(5.95)	137.62	21.24	-	(0.38)	116.76	142.95
<b>Total (B)</b>	<b>142.95</b>	<b>-</b>	<b>-</b>	<b>0.62</b>	<b>(5.95)</b>	<b>137.62</b>	<b>21.24</b>	<b>-</b>	<b>(0.38)</b>	<b>116.76</b>	<b>142.95</b>
<b>Total (A+B)</b>	<b>1,176.12</b>	<b>428.66</b>	<b>17.32</b>	<b>5.74</b>	<b>-</b>	<b>1,593.20</b>	<b>227.95</b>	<b>11.47</b>	<b>0.49</b>	<b>1,376.23</b>	<b>1,176.12</b>

\* Amount Less than ₹ 50,000/-

\*\* During the year the Company has reclassified Assets under Finance Lease amounting to ₹ 67.46 (March 31, 2016 : ₹ 5.95) (Gross Block) and ₹ 12.89 (March 31, 2016 : ₹ 0.38) (Depreciation) as Owned Assets on completion of the lease period.

\*\*\* Depreciation for the year includes Impairment of Plant and Machinery ₹ 9.62 (March 31, 2016 : ₹ 5.28)

# The Company has capitalized exchange gain / (loss) arising on long-term foreign currency loan amounting to ₹ (1.73) [March 31, 2016: ₹ 38.37] to the cost of plant and equipments. The Company has also capitalized exchange gain / (loss) amounting to ₹ 0.75 [March 31, 2016: ₹ 0.86] arising on long-term foreign forward contract undertaken to partially hedge the foreign current loan to the cost of plant and equipments.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 2.02 INTANGIBLE ASSETS :

(Amount: ₹ in Crores unless otherwise stated)

Particulars	Gross Carrying Amount					Amortisation / Impairment			Net Block				
	As at April 1, 2016	Addition	Disposal	Acquisition through business combination	Other Adjustments	As at March 31, 2017	As at April 1, 2016	For the Year**	Elimination on disposal	Other Adjustments	As at March 31, 2017	As at March 31, 2016	
Goodwill (acquired separately)	9.71	0.19	-	0.03	-	9.93	0.73	0.71	-	-	1.44	8.49	8.97
Goodwill on Consolidation	78.72	-	-	5.66	-	84.39	-	-	-	-	-	84.39	78.72
Softwares	57.37	24.26	-	-	-	81.63	19.47	22.82	-	-	42.29	39.34	37.91
Bandwidth Rights	14.26	6.72	-	-	-	20.98	1.08	1.54	-	-	2.62	18.36	13.18
Movie & Serial Rights	10.40	6.13	-	-	-	16.53	4.22	7.42	-	-	11.64	4.89	6.18
Cable Television Franchise	41.00	-	0.14	-	-	40.86	5.41	5.08	0.02	-	10.47	30.39	35.59
Channel Design	-	1.21	-	-	-	1.21	-	0.20	-	-	0.20	1.01	-
<b>Total</b>	<b>211.46</b>	<b>38.51</b>	<b>0.14</b>	<b>5.69</b>	<b>-</b>	<b>255.53</b>	<b>30.91</b>	<b>37.77</b>	<b>0.02</b>	<b>-</b>	<b>68.66</b>	<b>186.87</b>	<b>180.55</b>

Particulars	Gross Carrying Amount					Amortisation / Impairment			Net Block				
	Deemed cost as at April 1, 2015	Addition	Disposal	Acquisition through business combination	Other Adjustments	As at March 31, 2016	As at April 1, 2015	For the Year**	Elimination on disposal	Other adjustments	As at March 31, 2016	As at April 1, 2015	
Goodwill (acquired separately)	4.92	-	-	4.79	-	9.71	-	0.73	-	-	0.73	8.98	4.92
Goodwill on Consolidation	68.63	-	-	10.09	-	78.72	-	-	-	-	-	78.72	68.63
Softwares	53.60	3.77	*	-	-	57.37	-	19.47	*	-	19.47	37.90	53.60
Bandwidth Rights	12.96	1.30	-	-	-	14.26	-	1.08	-	-	1.08	13.18	12.96
Movie & Serial Rights	9.01	1.39	-	-	-	10.40	-	4.22	-	-	4.22	6.18	9.01
Cable Television Franchise	40.70	-	-	0.30	-	41.00	-	5.41	-	-	5.41	35.59	40.70
<b>Total</b>	<b>189.82</b>	<b>6.47</b>	<b>-</b>	<b>15.16</b>	<b>-</b>	<b>211.46</b>	<b>-</b>	<b>30.91</b>	<b>-</b>	<b>-</b>	<b>30.91</b>	<b>180.55</b>	<b>189.82</b>

\* Amount Less than ₹ 50,000/-

\*\* Ammortisation During the Year includes Impairment of Cable Television Franchisee ₹ 1.73 (March 31, 2016 : ₹ 1.87)

### Range of remaining period of amortisation as at March 31, 2017 of Intangible assets is as below :

Assets	0 - 5 Years	6 - 10 Years	More than 10 Years	Net Block as at March 31, 2017
Softwares	39.34	-	-	39.34
Bandwidth Rights	8.48	6.93	2.95	18.36
Movie & Serial Rights	4.89	-	-	4.89
Cable Television Franchise	17.29	10.08	3.02	30.39
Channel Design	1.01	-	-	1.01
	<b>71.00</b>	<b>17.01</b>	<b>5.97</b>	<b>93.99</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.03 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES ACCOUNTED UNDER EQUITY METHOD

	Face value per unit (₹)	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Investments in Equity Instruments</b>							
<b>Unquoted Investment in Joint Ventures</b>							
Hathway New Concept Cable and Datacom Pvt Ltd **	10	150,000	-	50,000	-	25,500	1.34
Hathway CBN Multinet Pvt Ltd	10	25,500	0.84	25,500	1.22	25,500	1.65
Hathway CCN Entertainment India Pvt Ltd	10	255,000	4.95	255,000	4.79	255,000	4.68
Hathway CCN Multinet Pvt Ltd	10	242,250	6.41	242,250	6.43	242,250	6.51
Hathway CCN Multi Entertainment Pvt Ltd	10	7,000	3.08	7,000	2.82	7,000	2.70
GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd)	10	49,172,694	676.42	49,172,694	668.04	1,000,000	634.67
Hathway Cable MCN Nanded Pvt Ltd	10	1,305,717	0.69	1,305,717	0.58	1,305,717	0.49
Hathway Channel 5 Cable and Datacom Pvt Ltd	10	249,000	-	249,000	-	249,000	*
Hathway Dattatray Cable Network Pvt Ltd	10	20,400	-	20,400	-	20,400	0.95
Hathway Digital Saharanpur Cable and Datacom Pvt Ltd	10	10,200	-	10,200	-	10,200	-
Hathway Ice Television Pvt Ltd	10	102,000	*	102,000	*	102,000	-
Hathway Latur MCN Cable and Datacom Pvt Ltd	10	51,000	0.27	51,000	0.17	51,000	-
Hathway Mysore Cable Network Pvt Ltd***	10	1,041,000	-	873,100	2.95	523,100	-
Hathway Sai Star Cable and Datacom Pvt Ltd	10	68,850	4.75	68,850	6.56	68,850	10.53
Hathway Software Developers Pvt Ltd****	10	758,000	-	553,000	-	268,000	-
Hathway Sonali OM Crystal Cable Pvt Ltd	10	51,000	0.64	51,000	1.06	51,000	5.88
Net 9 Online Hathway Pvt Ltd	10	5,000	2.75	5,000	2.49	5,000	2.37
Hathway Palampur Cable Network Pvt Ltd	10	15,300	0.46	15,300	0.57	15,300	0.61
Hathway Prime Cable and Datacom Pvt Ltd	10	229,500	0.20	229,500	0.22	229,500	-
Hathway MCN Pvt Ltd	10	963,000	5.66	963,000	5.86	963,000	6.46
Hathway Sukhamrit cable & Datacom Pvt Ltd	10	71,175	10.74	71,175	7.58	71,175	4.75
Hathway Bhawani NDS Pvt Ltd	500	15,810	0.19	15,810	0.08	15,810	0.09
<b>Unquoted Investment in Associates</b>							
Hathway VCN Cablenet Pvt. Ltd.	10	12,520	-	12,520	-	12,520	-
Pan Cable Services Pvt. Ltd.	10	10	-	10	-	10	-
	(A)		<b>718.05</b>		<b>711.42</b>		<b>683.68</b>
<b>Investments in Partnership Firm (in the nature of Joint venture):</b>							
Hathway Universal VCN Cable Network LLP			-		1.73		-
Hathway SS Cable & Datacom LLP			0.57		0.57		0.93
	(B)		<b>0.57</b>		<b>2.30</b>		<b>0.93</b>
<b>Total investments</b>	<b>(A + B)</b>		<b>718.62</b>		<b>713.72</b>		<b>684.61</b>
Aggregate amount of unquoted investments			718.62		713.72		684.61

\* Amount Less than ₹ 50,000/-

\*\* Joint Venture up to October 29, 2015 and subsidiary thereafter.

\*\*\* Joint Venture up to March 25, 2017 and subsidiary thereafter.

\*\*\*\* Joint Venture up to May 28, 2015 and subsidiary thereafter.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.04 INVESTMENTS

	Face value per unit (₹)	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Non-Current</b>							
<b>Investments in equity instrument designated at fair value through other comprehensive income - Unquoted (fully paid)</b>							
Hathway Rajesh Multi Channel Pvt Ltd	10	-	-	144,849	4.25	144,849	4.25
Hathway Cable Entertainment Pvt Ltd	10	47,009	-	47,009	-	47,009	-
Hathway Jhansi JMDSR Cable & Datacom Pvt Ltd	10	60,000	-	60,000	-	60,000	-
<b>Investments in Government securities measured at amortised cost - Unquoted</b>							
National Savings Certificates			0.16		0.16		0.16
			<b>0.16</b>		<b>4.41</b>		<b>4.41</b>
Aggregate amount of unquoted investments			0.16		4.41		4.41
Aggregate value of investments designated at FVTOCI			-		4.25		4.25

## 2.05 TRADE RECEIVABLES

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good	-	1.35	3.57	345.11	285.86	230.27
Doubtful	-	-	-	125.01	288.33	224.84
	-	<b>1.35</b>	<b>3.57</b>	<b>470.12</b>	<b>574.19</b>	<b>455.11</b>
Less : Allowance for doubtful debts (expected credit loss)	-	-	-	125.01	288.33	224.84
<b>Total</b>	-	<b>1.35</b>	<b>3.57</b>	<b>345.11</b>	<b>285.86</b>	<b>230.27</b>

## 2.06 LOANS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Loans to related parties</b>						
Unsecured, considered good unless stated otherwise						
Loans to Joint Ventures	0.72	24.31	4.78	23.49	17.55	9.14
Loans to Firm in which Subsidiaries are partner	0.21	-	-	-	-	2.11
Doubtful	26.24	17.55	17.63			
	<b>27.17</b>	<b>41.86</b>	<b>22.41</b>	<b>23.49</b>	<b>17.55</b>	<b>11.25</b>
Less : Allowance for bad and doubtful loans	26.24	17.55	17.63	-	-	-
<b>(A)</b>	<b>0.93</b>	<b>24.31</b>	<b>4.78</b>	<b>23.49</b>	<b>17.55</b>	<b>11.25</b>
<b>Other Loans</b>						
Unsecured, considered good unless stated otherwise						
Loans to employees	-	-	*	-	0.05	0.35
Others	-	0.18	0.33	0.47	0.30	0.04
	-	<b>0.18</b>	<b>0.33</b>	<b>0.47</b>	<b>0.35</b>	<b>0.39</b>
Doubtful						
Loans to other Cable Ventures	6.09	6.09	6.09	-	-	-
	<b>6.09</b>	<b>6.09</b>	<b>6.09</b>	-	-	-
Less : Allowance for bad and doubtful loans	6.09	6.09	6.09	-	-	-
<b>(B)</b>	-	<b>0.18</b>	<b>0.33</b>	<b>0.47</b>	<b>0.35</b>	<b>0.39</b>
<b>Total (A+B)</b>	<b>0.93</b>	<b>24.49</b>	<b>5.11</b>	<b>23.96</b>	<b>17.90</b>	<b>11.64</b>

\* Amount less than ₹ 50,000

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.07 OTHER FINANCIAL ASSETS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Share application money	0.26	7.26	19.81	-	-	-
Security deposits	19.79	20.63	17.92	12.22	5.88	0.76
Accrued interest	0.05	0.02	0.05	0.67	0.16	1.14
Bank deposits with more than 12 months maturity	28.34	30.35	60.56	0.02	0.03	0.03
Other Receivables	-	-	-	4.58	2.68	2.41
<b>Total</b>	<b>48.44</b>	<b>58.26</b>	<b>98.34</b>	<b>17.49</b>	<b>8.75</b>	<b>4.34</b>

## 2.08 DEFERRED TAX ASSETS/ LIABILITIES

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Deferred Tax Assets in relation to :</b>			
Disallowances Under Income Tax Act 1961	-	0.02	0.02
Leave Encashment Payable	0.78	0.78	0.78
Property, Plant & Equipment	0.54	0.23	0.04
Business Loss	-	0.10	-
Allowance for doubtful debt	1.31	1.18	0.08
Defined benefit obligation	0.14	0.21	0.18
Others	0.01	0.03	0.02
	<b>2.78</b>	<b>2.55</b>	<b>1.12</b>
<b>Deferred Tax Liabilities in relation to :</b>			
Property, Plant & Equipment	1.45	1.62	0.46
	<b>1.45</b>	<b>1.62</b>	<b>0.46</b>

Unrecognised deductible temporary differences, unused tax losses and unused tax credits on which deferred tax asset has not being recognised:

Expiry of losses	2017-18	2018-19	2019-20	2020-21	2021-22	Beyond 5 years	Indefinite	Total
Business losses	12.76	6.09	0.28	0.03	0.01	2.99	-	<b>22.16</b>
Unabsorbed depreciation	-	-	-	-	-	-	263.81	<b>263.81</b>
Deductible temporary differences	-	-	-	-	-	-	12.65	<b>12.65</b>
<b>Total</b>	<b>12.76</b>	<b>6.09</b>	<b>0.28</b>	<b>0.03</b>	<b>0.01</b>	<b>2.99</b>	<b>276.45</b>	<b>298.62</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.09 OTHER ASSETS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Capital Advances</b>						
Unsecured, considered good unless stated otherwise						
Network Acquisitions	10.74	10.74	11.00	-	-	-
Advance to Suppliers	25.33	32.83	4.21	-	-	-
Doubtful	2.20	2.20	2.20	-	-	-
	38.27	45.77	17.41	-	-	-
Less: Allowance for bad & doubtful advances	2.20	2.20	2.20	-	-	-
<b>(A)</b>	<b>36.07</b>	<b>43.57</b>	<b>15.21</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Advances other than Capital Advances</b>						
Unsecured, considered good unless stated otherwise						
Balances with government authorities:						
Service Tax Claimable	4.19	1.54	0.54	54.64	60.96	44.44
Cenvat Receivable	0.66	0.66	0.66	0.27	0.50	0.65
Advance Income Tax (net of provision)	36.09	60.73	44.70	-	-	-
Balance with statutory authorities	5.11	0.40	*	-	-	-
Deposit paid under protest	27.59	17.42	11.37	0.41	0.40	0.41
Others	0.01	0.01	0.01	-	-	-
Security deposit	0.01	0.01	-	0.01	0.01	-
Prepaid expenses	7.79	5.45	2.26	12.71	16.60	11.16
Staff Advances	0.08	0.11	0.11	0.11	0.48	0.55
Prepaid Rent	1.64	2.35	2.27	-	-	-
Sundry Advances	2.18	9.17	10.76	55.71	91.34	47.41
Other Receivables	-	-	-	0.49	-	-
Others	*	0.01	0.35	30.70	1.89	1.78
Doubtful	2.74	2.73	2.59	-	0.03	-
	88.09	100.59	75.62	155.05	172.21	106.40
Less: Allowance for doubtful advances	2.74	2.73	2.59	-	0.03	-
<b>(B)</b>	<b>85.35</b>	<b>97.86</b>	<b>73.03</b>	<b>155.05</b>	<b>172.18</b>	<b>106.40</b>
<b>Total (A+B)</b>	<b>121.42</b>	<b>141.43</b>	<b>88.24</b>	<b>155.05</b>	<b>172.18</b>	<b>106.40</b>

\* Amount less than ₹ 50,000

## 2.10 INVENTORIES

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Stock-in-trade	0.03	0.07	0.04
Stock of Spares & Maintenance Items	21.63	18.19	6.02
<b>Total</b>	<b>21.66</b>	<b>18.26</b>	<b>6.06</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.11 CURRENT INVESTMENTS

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Investments measured at fair value through profit or loss - Quoted</b>			
<b>Investment in Debt Market - Mutual Funds</b>			
Investment in Mutual Funds	-	-	89.30
<b>Total</b>	-	-	<b>89.30</b>
Aggregate amount of quoted investments	-	-	89.11
Aggregate market value of quoted investments	-	-	89.30

## 2.12 CASH AND CASH EQUIVALENTS

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balances with banks:			
In Current Accounts	45.91	35.45	28.46
Deposits with original maturity of less than 3 months	0.12	*	*
Cheques/drafts on hand	0.75	1.63	1.04
Cash on hand	4.13	4.51	3.61
<b>Total</b>	<b>50.91</b>	<b>41.59</b>	<b>33.11</b>

\* Amount less than ₹ 50,000

### Disclosure On Specified Bank Note (SBN)

The details of SBNs held and transacted during the period November 8, 2016 to December 30, 2016, pursuant to MCA notification no G.S.R. 308(E) dated March 30, 2017 are as under :

Particulars	(Amount in ₹)		
	SBNs	Other denomination notes	Total
<b>Closing cash in hand as on November 08, 2016</b>	473,381,000	41,203,482	514,584,482
(+) Withdrawal from banks	-	6,065,876	6,065,876
(+) Permitted Receipts	3,949,500*	507,705,824	511,655,324
(-) Permitted payments	23,500	80,231,948	80,255,448
(-) Amount deposited in Banks	477,307,000	407,121,235	884,428,235
<b>Closing cash in hand as on December 30, 2016</b>	-	<b>67,621,999</b>	<b>67,621,999</b>

\* One of the Joint Venture company namely Hathway MCN Private Ltd. is an authorised centre for collection of Entertainment Tax under Bombay Entertainments Duty Act, 1923 with effect from April 1, 2014 as per the directions given by The Collector Aurangabad vide GR/2012/PRA/KRA/88/T-1 issued by Maharashtra Revenue Department.

Further by virtue of notification no S. O. 3408(E) dated November 8, 2016 & S.O 3544(E) issued by Ministry of finance, Department of economic affairs the Joint Venture company was authorised to collect entertainment tax in Specified Bank Notes. The said Joint Venture company with this authority has collected SBN during the period from November 8, 2016 to December 15, 2016 and deposited the same in its bank account with Bank of Maharashtra bearing account no 60242650365 which was latter paid to the department.

Explanation : The term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

## 2.13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deposits with original maturity for more than 3 months but less than 12 months	0.02	0.01	0.01
<b>Total</b>	<b>0.02</b>	<b>0.01</b>	<b>0.01</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.14 CURRENT TAX ASSETS (NET)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Current tax assets</b>			
Advance Income Tax (net of provision)	30.02	28.90	31.85
	<b>30.02</b>	<b>28.90</b>	<b>31.85</b>

## 2.15 EQUITY SHARE CAPITAL

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Paid up Share Capital comprises :</b>			
830,494,500 (March 31, 2016: 830,494,500 and April 1, 2015: 830,494,500) Equity Shares of ₹ 2/- each fully paid up	166.10	166.10	166.10
<b>Total</b>	<b>166.10</b>	<b>166.10</b>	<b>166.10</b>

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

Equity shares	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Equity Shares of ₹ 2 each</b>						
Shares Outstanding at the beginning of the period	830,494,500	166.10	830,494,500	166.10	830,494,500	166.10
Shares Outstanding at the end of the year	<b>830,494,500</b>	<b>166.10</b>	<b>830,494,500</b>	<b>166.10</b>	<b>830,494,500</b>	<b>166.10</b>

### b) Rights, preference and restrictions attached to shares:

#### Terms/ Rights attached to Equity Shares

The Company has issued only one class of equity shares having face value of ₹ 2 (March 31, 2016 : ₹ 2 and April 1, 2015 : ₹ 2) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

### c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
<b>Equity shares of ₹ 2 each</b>						
Mr. Akshay Rajan Raheja	121,413,000	14.62	121,413,000	14.62	121,413,000	14.62
Mr. Viren Rajan Raheja	119,553,000	14.40	119,553,000	14.40	119,553,000	14.40
Hathway Investments Private Limited	81,845,015	9.85	81,845,015	9.85	81,845,015	9.85
CLSA Global Markets PTE. LTD.	79,458,924	9.57	-*	-*	-*	-*
P6 Mauritius India Holding Limited	70,717,760	8.52	70,717,760	8.52	70,717,760	8.52
Macquarie Bank Limited	-*	-*	-*	-*	78,232,133	9.42
P5 Asia Holding Investments (Mauritius) Limited	52,783,220	6.36	52,783,220	6.36	-*	-*
Reliance Capital Trustee Co. Limited (A/C Reliance Equity Opportunities Fund)	-*	-*	-*	-*	42,245,525	5.09

\* Holding was less than 5 %

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## d) Shares reserved for issue under options

Nil number of equity shares (March 31, 2016 : 5,000 equity shares and April 1, 2015 : 1,42,000 equity shares) of ₹ 2 (March 31, 2016 : ₹ 2 and April 1, 2015 : ₹ 2) each towards outstanding employees stock option granted/ available for grant. (Refer Note 4.16)

## 2.16 OTHER EQUITY

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Retained earnings	(1,147.86)	(954.41)	(730.29)
Capital reserve	0.10	0.10	0.10
Securities premium account	1,877.01	1,877.01	1,877.01
Employees Stock Options Outstanding Account (Refer Note No. 4.16)	-	0.01	0.07
	<b>729.25</b>	<b>922.72</b>	<b>1,146.89</b>

Description of the nature and purpose of each reserve within equity is as follows :

### (a) Retained earnings:

Retained earnings are the losses that the Group has incurred till date.

### (b) Securities premium account :

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

## 2.17 NON-CURRENT BORROWINGS

	Non Current portion			Current maturities of long term debts		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Term Loans</b>						
<b>Secured</b>						
From Banks	175.71	203.24	269.52	187.59	106.07	-
From Financial Institutions	91.27	-	-	7.14	-	-
From Others	272.77	94.97	44.97	44.66	-	-
<b>FCNR loan from Banks</b>						
<b>Secured</b>	23.72	77.39	-	50.89	-	-
<b>Buyers Credit</b>						
<b>Secured</b>	369.35	368.46	194.37	110.93	269.01	255.55
<b>Unsecured</b>	-	205.51	110.79	201.13	-	-
<b>Finance Lease Obligations</b>						
<b>Secured</b>	-	21.04	49.95	21.04	28.91	57.14
<b>Vehicle loan from Banks</b>						
<b>Secured</b>	0.36	0.45	0.08	-	-	-
<b>Unsecured</b>						
Loans from related parties	1.59	2.32	-	-	-	-
Preference shares	-	-	*	-	-	-
<b>Total</b>	<b>934.77</b>	<b>973.38</b>	<b>669.68</b>	<b>623.38</b>	<b>403.99</b>	<b>312.69</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

	Non Current portion			Current maturities of long term debts		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Less: Amount disclosed under the head 'Other Financial Liabilities' (Note No. 2.18)						
Less : Current maturities of long-term debt (included in Note 2.18)				602.34	375.09	255.55
Less : Current maturities of finance lease obligations (included in Note 2.18)				21.04	28.91	57.14
<b>Net Amount</b>	<b>934.77</b>	<b>973.38</b>	<b>669.68</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Amount less than ₹ 50,000

## CURRENT BORROWINGS

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Loans repayable on demand</b>			
<b>Secured</b>			
Working Capital Loans repayable on demand from a bank	55.00	25.00	35.00
Cash Credit with banks	55.13	57.83	55.02
Overdraft with bank	20.00	16.34	10.00
<b>Unsecured</b>			
From Banks	0.12	100.11	-
<b>Total</b>	<b>130.25</b>	<b>199.28</b>	<b>100.02</b>

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

Sr. No.	Terms of Repayment	Nature of Security	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
	<b>NON - CURRENT BORROWINGS</b>							
1	<b>Term Loan from Banks</b>							
1.1	<b>Yes Bank Ltd.</b>							
	Principal repayable in 14 equal quarterly installments with 1st installment due 18 months after the date of drawdown i.e. April 04, 2014. Interest is payable on monthly basis. Applicable Rate of Interest is 11.50%.	pari passu hypothecation of present & future movable and immovable Fixed Assets pari passu hypothecation of present & future Current Assets	38.57	38.57	77.14	38.57	115.71	-
1.2	<b>HDFC Bank Ltd.</b>							
	Principal repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown i.e. April 25, 2013. Interest is payable on monthly basis. Applicable Rate of Interest is HDFC Bank Base rate + 1.50%.	pari passu hypothecation of present & future movable and immovable Fixed Assets pari passu hypothecation of present & future Current Assets	3.75	15.00	18.75	15.00	33.75	-
1.3	<b>Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd.)</b>							
	Principal repayable on completion of 3 years from the date of drawdown i.e. (Tranche I - May 28, 2014 for ₹ 20.00, Tranche II - July 24, 2014 for ₹ 15.00). Interest is payable on monthly basis. Applicable Rate of Interest is 6 Months MCLR + 2.25%.	pari passu hypothecation of present & future movable and immovable Fixed Assets pari passu hypothecation of present & future Current Assets	-	35.00	35.00	15.00	50.00	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Sr. No.	Terms of Repayment	Nature of Security	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
1.4	<b>Axis Bank Ltd.</b>							
	Principal repayable in 12 equal quarterly installments with 1st installment due after 36 months after the date of drawdown to be paid at the end of each quarter. Applicable rate of Interest is Axis Bank Base rate + 1.65%.	<p>pari passu hypothecation of present &amp; future movable and immovable Fixed Assets</p> <p>pari passu hypothecation of present &amp; future Current Assets</p>	25.00	-	25.00	-	-	-
1.5	<b>Kotak Mahindra Bank Ltd.</b>							
	Principal repayable in 16 equal quarterly installments with 1st installment due 12 months after the date of drawdown. Applicable Rate of Interest is 6 Months MCLR + 2.25%	<p>pari passu hypothecation of present &amp; future movable and immovable Fixed Assets</p> <p>pari passu hypothecation of present &amp; future Current Assets</p>	15.00	5.00	20.00	-	-	-
1.6	<b>IDFC Bank Ltd. (formerly IDFC Ltd.)</b>							
	Principal repayable in 16 equal quarterly installments of ₹ 9.38 commencing from 15th April 2015. Interest is payable on monthly basis. Applicable Rate of Interest is IDFC Bank Ltd. Base rate + 2%.	<p>pari passu hypothecation of present &amp; future movable and immovable Fixed Assets</p> <p>pari passu hypothecation of present &amp; future Current Assets</p> <p>pari passu first charge on present &amp; future book debts, operating cash flows, receivables, revenues of whatsoever nature</p> <p>First charge on the uncalled capital</p> <p>Lien on Fixed Deposits with Bank of ₹ 2.08 (March 31, 2016: ₹ 22.23)</p>	-	37.50	37.50	37.50	75.00	-
1.7	<b>RBL Bank Ltd</b>							
	i Principal Repayable at below terms a) 10% to be paid at the end of 12 months from the date of first drawdown b) 5% at the end of 18 months and thereafter equal quarterly installments till the maturity of the Loan Applicable Rate of interest is RBL Base rate + 0.45%	<p>First pari passu charge by way of hypothecation of present &amp; future movable and immovable Fixed Assets</p> <p>First pari passu charge by way of hypothecation of present &amp; future Current Assets</p>	19.73	5.27	-	-	-	-
	ii Principal repayable in 10 half yearly installments from the date to first disbursement. Applicable Rate of interest is MCLR + 0.75%	<p>First pari passu charge by way of hypothecation of present &amp; future movable and immovable Fixed Assets</p> <p>First pari passu charge by way of hypothecation of present &amp; future Current Assets</p>	10.35	2.59	-	-	-	-
1.8	<b>ICICI Bank Ltd</b>							
	Equated Quarterly Repayment starting from 27th Month from the date of each drawdown of Buyers credit. No repayment to exceed 5 years from the date of first drawdown. Applicable Rate of interest is one Year IMCLR + 2.8%	<p>First Pari Passu Charge on fixed assets, present &amp; future</p> <p>First Pari Passu Charge on Current assets</p>	65.48	50.59	-	-	-	-
2	<b>Term Loan From Financial Institutions</b>							
2.1	<b>SREI Infrastructure Finance Ltd</b>							
	Repayment in 14 equal quarterly installments after a moratorium of 6 quarters from the date of first disbursement. Applicable Rate of interest is SREI Benchmark Rate - 6.25%	<p>First Pari Passu Charge on movable &amp; fixed assets, present &amp; future, and on the immovable assets</p> <p>First pari passu charge on the current assets, present &amp; future, including operating cash flow, receivables, and revenues of whatsoever nature and book debts.</p>	92.86	7.14	-	-	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Sr. No.	Terms of Repayment	Nature of Security	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>3</b>	<b>Term Loan From Others</b>							
<b>3.1</b>	<b>Housing Development Finance Corporation Ltd.</b>							
	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 Corporate Prime Lending Rate - 6.60%. (March 31, 2015: HDFC CPLR - 6.60%)	pari passu hypothecation of the present & future movable & immovable Fixed Assets pari passu hypothecation of the present & future Current Assets	-	44.97	44.97	-	44.97	-
<b>3.2</b>	<b>Housing Development Finance Corporation Ltd.</b>							
	Principal repayable in 12 equal quarterly installments of ₹ 19.80 with 1st installment due after 27 months after the date of drawdown. Interest is payable on Quarterly basis. Applicable Interest rate is HDFC Corporate Prime Lending Rate - 6.60%. (Sanctioned amount- ₹ 200.00)	pari passu hypothecation of the present & future movable & immovable Fixed Assets pari passu hypothecation of the present & future Current Assets	200.00	-	50.00	-	-	-
<b>3.3</b>	<b>IDFC Infrastructure Finance Ltd.</b>							
	Principal repayable in 16 equal quarterly installments commencing from 30 June 2018. Applicable rate of Interest is IDFC IDF 5 Year Benchmark+ 2.15%.	Pari Passu first charge on all fixed assets, both present and future including plant & machinery, machinery spares, tools & accessories, furnitures, fixtures, vehicles and all other assets of whatsoever nature.  Pari Passu first charge on entire receivables, book debts and revenues of whatsoever nature and wherever arising, both present and future.  Pari Passu first charge on entire intangible assets, including but not limited to, goodwill & uncalled capital, both present & future	75.00	-	-	-	-	-
<b>4</b>	<b>FCNR loan from Banks</b>							
<b>4.1</b>	<b>Yes Bank Ltd</b>							
	Principal repayable on completion of 2 years from the date of drawdown. (Tranche I- September 1, 2015 for ₹ equivalent 20.00, Tranche II- September 10, 2015 for ₹ equivalent 12.00, Tranche III - October 8, 2015 for ₹ 20.00). Interest is payable on monthly basis. Applicable Interest rate is 6 months LIBOR+ 425 bps.	First pari passu hypothecation of the present & future movable & immovable Fixed Assets First pari passu hypothecation of the present & future Current Assets	-	51.23	52.35	-	-	-
<b>4.2</b>	<b>Axis Bank Ltd</b>							
	Principal repayable on completion of 3 years from the date of drawdown i.e. December 28, 2015. Interest is payable on monthly basis. Applicable Interest rate is 3 months Libor + 370 bps.	First pari passu hypothecation of the present & future movable & immovable Fixed Assets First pari passu hypothecation of the present & future Current Assets	24.52	-	25.04	-	-	-
<b>5</b>	<b>Buyers Credit</b>							
<b>5.1</b>	<b>Axis Bank Ltd</b>							
	Principal repayable with Interest on completion of 6 or 12 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.	hypothecation of Current Assets, both present & future and extension of pari passu hypothecation of movable Fixed Assets, both present & future.	140.65	36.98	143.02	2.26	12.41	115.21

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Sr. No.	Terms of Repayment	Nature of Security	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>5.2</b>	<b>Yes Bank Ltd</b>							
	Principal repayable with Interest on completion of 6 or 12 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.	pari passu hypothecation of Current Assets both present & future and extension of pari passu hypothecation of movable Fixed Assets both present & future.	125.59	50.91	195.71	58.48	103.74	58.06
<b>5.3</b>	<b>RBL Bank Ltd</b>							
	Principal repayable with Interest on completion of 6 or 12 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.	First pari passu charge by way of hypothecation of present & future movable and immovable Fixed Assets First pari passu charge by way of hypothecation of present & future Current Assets	66.07	0.32	-	-	-	-
<b>5.4</b>	<b>Indusind Bank Ltd</b>							
	Principal repayable with Interest on completion of 6 or 12 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.	First pari passu charge on the present & future movable and immovable Fixed Assets First pari passu charge on the present & future Current Assets	12.39	2.13	-	-	-	-
<b>5.5</b>	<b>Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd)</b>							
	Principal repayable with Interest on completion of 6 or 12 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.	pari passu hypothecation of the present & future movable & immovable Fixed Assets pari passu hypothecation of the present & future Current Assets	24.64	20.58	29.72	35.43	51.42	9.13
<b>5.6</b>	<b>ICICI Bank, Qatar</b>							
	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.	Unsecured	-	69.64	71.16	127.20	110.79	-
<b>5.7</b>	<b>ICICI Bank, Bahrain</b>							
	Principal repayable on completion of 2 years from the date of each drawdown. Applicable Rate of Interest is 6 months LIBOR + 2.55% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.	Unsecured	-	131.50	134.36	-	-	-
<b>6</b>	<b>Finance Lease Obligations</b>							
<b>6.1</b>	<b>Cisco System Capital (India) Pvt. Ltd</b>							
	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.	Hypothecation of underlying assets taken on lease	-	21.04	21.04	28.91	49.95	57.14
<b>7</b>	<b>Vehicle Loans from Banks</b>							
<b>7.1</b>	<b>Daimler Financial Services (India) Pvt Ltd</b>							
	Principal repayable in 60 equal installments along with Interest. Applicable rate of interest is 10.71%. 1st Installment due from Jun'15.	Unsecured	0.36	-	0.45	-	0.08	-

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Sr. No.	Terms of Repayment	Nature of Security	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
8	<b>Loans from related parties</b>							
	Interest free loan repayable on demand on or after April 1, 2018	Unsecured	1.59	-	-	-	-	-
9	<b>Non cumulative redeemable preference shares</b>							
	Redeemable in the March 30, 2021	Unsecured	-	-	-	-	*	-
	Redeemable in the December 6, 2019	Unsecured	-	-	-	-	*	-
	<b>Gross Borrowings</b>		<b>941.55</b>	<b>625.96</b>	<b>981.21</b>	<b>358.35</b>	<b>647.82</b>	<b>239.54</b>
	<b>Add: Loan fully repaid prior to the Balance sheet date</b>		<b>-</b>	<b>-</b>	<b>2.32</b>	<b>45.63</b>	<b>26.81</b>	<b>73.14</b>
	<b>Less: Unamortised upfront fees on borrowing</b>		<b>6.78</b>	<b>2.58</b>	<b>10.15</b>	<b>-</b>	<b>4.95</b>	<b>-</b>
	<b>Total Non-current Borrowings (Net)</b>		<b>934.77</b>	<b>623.38</b>	<b>973.38</b>	<b>403.98</b>	<b>669.68</b>	<b>312.68</b>

\* Amount less than ₹ 50,000

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
	<b>CURRENT BORROWINGS</b>							
7.0	<b>Secured</b>							
7.1	<b>Working Capital Demand Loan</b>							
7.1.1	<b>Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd)</b>							
	pari passu hypothecation of present & future movable and immovable Fixed Assets	(Sanctioned Amount ₹ 75)	-	55.00	-	25.00	-	35.00
	pari passu hypothecation of present & future Current Assets							
7.2	<b>Cash Credit</b>							
7.2.1	<b>Axis Bank Ltd</b>							
	pari passu hypothecation of present & future movable and immovable Fixed Assets	(Sanctioned Amount ₹ 70)	-	23.22	-	51.95	-	31.70
	pari passu hypothecation of present & future Current Assets							
7.2.2	<b>Axis Bank Ltd</b>							
	pari passu hypothecation of present & future movable and immovable Fixed Assets		-	-	-	5.04	-	3.25
	pari passu hypothecation of present & future Current Assets							
	Secured by corporate guarantee							
7.2.3	<b>Yes Bank Ltd</b>							
	pari passu hypothecation of present & future movable and immovable Fixed Assets	Sanctioned Cash Credit Amount ₹ 25 & Working Capital Demand Loan ₹ 25 (Sublimit of Letter of Credit/ Letter of Undertaking for Buyers Credit of ₹ 150)	-	11.91	-	-	-	0.08
	pari passu hypothecation of present & future Current Assets							
7.2.4	<b>Kotak Mahindra Bank Ltd. (formerly ING Vysya Bank Ltd)</b>							
	i pari passu hypothecation of present & future movable and immovable Fixed Assets	Sanctioned Amount ₹ 20 (Sublimit of Working Capital Demand Loan of ₹ 75)	-	20.00	-	0.84	-	19.99
	pari passu hypothecation of present & future Current Assets							

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Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
			Non-Current	Current	Non-Current	Current	Non-Current	Current
7.3	Overdraft							
7.3.1	ICICI Bank Ltd							
	i pari passu hypothecation of present & future movable and immovable Fixed Assets	(Sanctioned Amount ₹ 20)	-	20.00	-	16.34	-	10.00
	pari passu hypothecation of present & future Current Assets							
8.0	Vehicle Loans from Banks							
8.1	Daimler Financial Services (India) Pvt Ltd							
	Unsecured	Principal repayable in 60 equal installments along with Interest. Applicable rate of interest is 10.71%. 1st Installment due from Jun'15.	-	0.12	-	0.11	-	-
	Gross Current Borrowings		-	130.24	-	99.28	-	100.02
	Add: Loan fully repaid prior to the Balance sheet date		-	-	-	100.00	-	-
	Total Current Borrowings		-	130.25	-	199.28	-	100.02

(b) The carrying amount of assets pledged as security for borrowings are disclosed below :

Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
1	<b>Current</b>			
	i Inventories	21.63	18.24	6.06
	ii Investments	-	-	89.30
	iii Trade Receivables	381.34	304.11	242.93
	iv Cash and Cash Equivalents	39.49	30.96	24.89
	v Loans	74.03	37.20	14.19
	vi Other financial assets	13.10	6.81	3.70
	vii Non-current assets classified as held for sale	0.72	0.47	0.48
	viii Other Current Assets	72.67	93.45	48.55
	<b>(A)</b>	<b>602.98</b>	<b>491.24</b>	<b>430.10</b>
2	<b>Non - current</b>			
	i Property, Plant and Equipment	1,548.33	1,364.90	1,169.97
	ii Capital Work In Progress	120.69	277.84	156.66
	iii Goodwill	3.67	4.19	4.92
	iv Other Intangible Assets	91.03	89.61	112.64
	v Trade Receivables	-	1.08	1.08
	vi Loans	10.91	31.71	5.15
	vii Other financial assets	47.39	80.49	122.32
	viii Other Non-Current Assets	35.58	52.67	25.91
	<b>(B)</b>	<b>1,857.60</b>	<b>1,902.49</b>	<b>1,598.65</b>
	<b>Total assets pledged as security (A+B)</b>	<b>2,460.58</b>	<b>2,393.73</b>	<b>2,028.75</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 2.18 OTHER FINANCIAL LIABILITIES

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current maturities of long-term debt (Refer Note no. 2.17)	-	-	-	602.34	375.09	255.58
Current maturities of finance lease obligations (Refer Note no. 2.17)	-	-	-	21.04	28.91	57.14
Interest accrued	-	-	-	6.90	9.29	6.39
Security Deposits	16.33	19.81	14.97	0.46	0.50	0.52
Salary and Employee benefits payable	-	-	-	1.38	1.83	1.05
Payables for acquisition of property, plant and equipment	*	*	-	101.19	59.81	47.87
Financial Guarantee Obligations	-	-	-	0.36	0.98	2.05
Liability for expenses	-	-	-	55.08	49.28	36.43
Proportionate share in Joint ventures losses	-	-	-	13.68	9.01	8.30
Others	*	*	*	47.17	0.00	4.30
<b>Total</b>	<b>16.33</b>	<b>19.81</b>	<b>14.97</b>	<b>849.60</b>	<b>534.70</b>	<b>419.63</b>

\* Amount less than ₹ 50,000

### 2.19 PROVISIONS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Employee benefits</b>						
Provision for Bonus	-	-	-	0.70	0.40	0.02
Provision for Leave Encashment	2.55	4.99	0.20	4.90	2.70	6.46
Others	-	-	-	0.37	0.37	0.36
<b>(A)</b>	<b>2.55</b>	<b>4.99</b>	<b>0.20</b>	<b>5.97</b>	<b>3.47</b>	<b>6.84</b>
<b>Others</b>						
Mark to Market losses on Currency Swap	7.10	15.04	4.59	-	-	-
<b>(B)</b>	<b>7.10</b>	<b>15.04</b>	<b>4.59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>9.65</b>	<b>20.03</b>	<b>4.79</b>	<b>5.97</b>	<b>3.47</b>	<b>6.84</b>

### 2.20 CURRENT TAX LIABILITIES (NET)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provisions for Taxation (net of advance tax)	0.02	0.04	0.06
<b>Total</b>	<b>0.02</b>	<b>0.04</b>	<b>0.06</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 2.21 OTHER LIABILITIES

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income received in advance	-	-	-	334.35	267.33	209.23
Gratuity payables	4.46	3.47	0.62	1.03	1.03	0.59
Statutory Payables	0.07	0.07	-	15.12	41.32	16.79
Employee Payables	-	-	-	4.77	1.67	1.58
Advance from Customers	-	-	-	32.96	18.39	17.28
Others	0.01	0.01	0.01	0.41	1.42	1.06
<b>Total</b>	<b>4.54</b>	<b>3.55</b>	<b>0.63</b>	<b>388.64</b>	<b>331.16</b>	<b>246.53</b>

## 3.01 REVENUE FROM OPERATIONS

	Year Ended March 31, 2017	Year Ended March 31, 2016
Sale of Services	1,336.97	1,123.33
Sale of products	0.15	0.85
Other operating revenues	7.28	12.69
<b>Total</b>	<b>1,344.40</b>	<b>1,136.87</b>

## 3.02 OTHER INCOME

	Year ended March 31, 2017	Year ended March 31, 2016
<b>Interest Income on</b>		
Interest income earned on financial assets		
Bank Deposits	1.75	2.64
Interest on Loans	2.62	2.80
<b>Other non - operating income</b>		
Interest on Income Tax Refund	6.70	1.19
Unwinding Interest on financial assets	0.79	0.58
Miscellaneous Income	1.54	1.03
<b>Other gains and losses</b>		
Gain on disposal of current investments (Net)	0.24	5.79
Net gain on foreign exchange fluctuation	9.77	4.12
Gain on disposal of property, plant and equipment (Net)	-	*
Amount no longer payable written back	0.42	0.02
<b>Total</b>	<b>23.83</b>	<b>18.17</b>

\* Amount is less than ₹ 50,000 /-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 3.03 OTHER OPERATIONAL EXPENSES

	Year ended March 31, 2017	Year ended March 31, 2016
Distribution Cost	15.68	26.85
Commission	68.32	50.11
Bandwidth & Lease Line Cost	57.87	37.54
Other Sundry Operational Cost	9.58	5.15
Repairs & Maintenance (Plant & Equipment)	42.56	31.64
Rent	27.73	20.29
Consultancy & Technical Fees	19.24	18.97
Feed charges	5.03	6.58
Software & Programming Cost	7.06	4.38
Freight & Octroi Charges	2.34	1.65
Hire Charges	1.06	0.49
<b>Total</b>	<b>256.47</b>	<b>203.65</b>

### 3.04 EMPLOYEE BENEFIT EXPENSE

	Year ended March 31, 2017	Year ended March 31, 2016
Salaries & bonus	79.50	77.26
Contribution to provident and other funds	7.74	4.04
Staff welfare expenses	5.91	4.90
<b>Total</b>	<b>93.15</b>	<b>86.20</b>

### 3.05 FINANCE COSTS

	Year ended March 31, 2017	Year ended March 31, 2016
Interest and Finance Charges on financial liabilities	91.39	78.73
Exchange differences regarded as an adjustment to borrowing cost	0.29	-
Other borrowing costs	19.07	11.11
<b>Total</b>	<b>110.75</b>	<b>89.84</b>

### 3.06 DEPRECIATION AND AMORTIZATION EXPENSES

	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of Property, Plant and Equipment	258.59	222.67
Amortization of intangible assets	36.05	29.04
Amortisation of Goodwill	0.71	0.73
Impairment on Property, Plant & Equipment	9.38	5.28
Impairment on Other Intangible assets	1.02	1.14
<b>Total</b>	<b>305.75</b>	<b>258.86</b>

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## 3.07 OTHER EXPENSES

	Year ended March 31, 2017	Year ended March 31, 2016
Service Charges	159.40	125.70
Bad Debts	219.71	2.75
Less: Transfer from allowance on doubtful debts (Expected credit loss)	219.71	2.75
	-	-
Electricity Expenses	24.07	20.72
Loss on disposal / shortage of Property, Plant and Equipment	3.88	3.28
Share of Loss from LLP	1.29	0.35
Rates & taxes	4.96	4.74
Office Expenses	5.52	4.61
Legal & Professional Charges	16.97	15.09
Advertisement & Promotion expenses	16.10	18.12
Conveyance	7.19	6.65
Repairs & Maintenance (Others)	6.80	5.01
Rent - Offices	11.54	9.07
Communication Charges	5.05	4.60
Travelling	5.44	5.34
Printing & Stationery	1.80	1.65
Business Promotion Expenses	1.37	1.75
Allowance for doubtful debts (Expected credit loss)	48.27	60.66
Allowance for doubtful advances	0.11	0.10
Insurance Charges	1.27	1.48
Interest on Taxes	0.94	0.88
Sitting Fees	0.31	0.25
Miscellaneous Expenses	3.58	2.47
<b>Total</b>	<b>325.86</b>	<b>292.52</b>

## 3.08 EXCEPTIONAL ITEMS

	Year ended March 31, 2017	Year ended March 31, 2016
- Allowance for Doubtful Advances / impairment in value of Investments / Impairment of trade receivables from Entities Under Control / Joint Control and other entities	10.20	13.62
- Settlement Fees paid to settle litigation initiated on certain employees by their previous employer, also a MSO	-	3.75
- Marked down in value of certain non-current assets towards abnormal wear and tear	0.24	-
- Reversal of Provision for Entertainment Tax for earlier years*	(9.70)	-
<b>Total</b>	<b>0.74</b>	<b>17.37</b>

\* Refer note 4.14

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### 3.09 TAX EXPENSES

	Year ended March 31, 2017	Year ended March 31, 2016
<b>(a) Income tax expenses :</b>		
<b>Current tax</b>		
In respect of the current year	0.07	0.07
In respect of prior year	0.03	-
	<b>0.10</b>	<b>0.07</b>
<b>Deferred tax</b>		
In respect of the current year	(0.44)	(0.36)
	<b>(0.44)</b>	<b>(0.36)</b>
<b>Total income tax expense recognised in the current year</b>	<b>(0.34)</b>	<b>(0.29)</b>
<b>(b) Income tax recognised in other comprehensive income</b>		
Remeasurements of the defined benefit plans	-	-
<b>(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :</b>		
<b>Loss Before tax</b>	<b>193.28</b>	<b>237.97</b>
Enacted tax rate in India	30.90%	30.90%
<b>Expected Income tax expenses / (benefit) at statutory tax rate</b>	<b>59.72</b>	<b>73.53</b>
Entities with no tax	(60.54)	(70.06)
(Loss) / Profit of share in Joint venture and Associate not taxable	0.89	(3.40)
Effect of tax pertaining to prior years	0.03	-
Expenses allowable as deduction	*	(0.01)
<b>Current tax provision (A)</b>	<b>0.10</b>	<b>0.07</b>
Incremental Deferred tax asset on deductible taxable differences	(0.01)	(0.05)
Incremental Deferred tax asset on temporary differences of Tangible and Intangible Assets	(0.43)	(0.22)
Incremental Deferred tax asset on account of carried forward losses	-	(0.10)
<b>Deferred tax provision (B)</b>	<b>(0.44)</b>	<b>(0.36)</b>
<b>Total (A+B)</b>	<b>(0.34)</b>	<b>(0.29)</b>

\* Amount less than ₹ 50,000/-

### 4.01 EARNINGS / (LOSS) PER SHARE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>Basic earnings per share : (₹)</b>		
Attributable to equity holders of the group	(2.32)	(2.86)
<b>Diluted earnings per share : (₹)</b>		
Attributable to equity holders of the group	(2.32)	(2.86)
<b>Nominal value of Ordinary shares : (₹)</b>	<b>2.00</b>	<b>2.00</b>
<b>Reconciliation of earnings used in calculating earnings per share :</b>		
<b>Basic earnings per share</b>		
Loss attributable to equity holders of the group used in calculating basic earnings per share	(192.94)	(237.68)
<b>Diluted earnings per share</b>		
Loss attributable to equity holders of the group used in calculating diluted earnings per share	(192.94)	(237.68)
<b>Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share</b>	<b>830,494,500</b>	<b>830,494,500</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 4.02 LEASES

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

Lease rentals outstanding as at March 31, 2017 in respect of fixed assets taken on finance lease are as under:

Due	Minimum Lease Payments			Present Value of Minimum Lease Payments		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Not Later than 1 year	22.32	32.53	65.46	21.04	28.91	57.14
Later than 1 year and not later than 5 years	Nil	22.32	54.85	Nil	21.04	49.95
<b>Total</b>	<b>22.32</b>	<b>54.85</b>	<b>120.31</b>	<b>21.04</b>	<b>49.95</b>	<b>107.09</b>

Upon expiry of the original term lessor may offer lessee to purchase all of the equipments at nominal value

Finance Lease obligation of Non Current Borrowing (Ref: Note No: 2.17) include ₹ 21.04 (March 31, 2016: ₹ 49.95 & April 1, 2015: ₹ 107.09) payable to lessor under finance lease arrangement.

### (b) Operating Leases (As Lessee):

The Group's significant leasing arrangements in terms of Ind AS 17 on lease are in respect of Operating Leases for Premises and Equipments. The period of these leasing arrangements, which are cancellable in nature range between eleven months to six years and are renewable by mutual consent.

Details of Non-Cancellable Leases are as under:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Payable in the next one year	8.48	8.46	7.50
Payable after next one year but before next five years	7.20	11.77	12.47
Payable after five years	0.39	0.87	-
<b>Total</b>	<b>16.07</b>	<b>21.10</b>	<b>19.97</b>

Rental Expenses debited to the Statement of Profit and Loss ₹ 11.56 (March 31, 2016: ₹ 11.97)

Details of Cancellable Leases are as under:

Lease Expenses debited to the Statement of Profit and Loss ₹ 71.79 (March 31, 2016: ₹ 70.05)

Some of these lease agreements have price escalation clauses

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Gross Carrying Amount of Assets capitalized as Plant & Machinery and given on operating lease	-	2.62	5.03
Accumulated Depreciation	-	0.88	1.69
Depreciation for the year	-	0.36	(0.27)

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Details of Non Cancellable lease are as under

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Receivable in the next one year	0.11	0.36	0.52
Receivable after next one year but Before next five years	-	0.11	0.48

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

### 4.03 EMPLOYEE BENEFITS

#### a) Defined Benefit Plans:

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

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.
Interest Risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity Risk	This risk effects Past Retirement Benefit Plans, especially Pension and Medical Benefits. This Plan pays the benefit on Retirement, if not paid earlier, on account of resignation or death and hence the Longevity risk will not materially effect this Plan.
Salary Risk	The Gratuity benefit, being based on last drawn salary, will be critically effected in case of increase in future salaries being more than assumed.

Particulars	Gratuity	
	March 31, 2017	March 31, 2016
<b>1 Expense recognized in the consolidated statement of Profit &amp; Loss</b>		
Current Service Cost	1.21	0.85
Net Interest	0.28	0.04
<b>Expense recognized in the consolidated statement of Profit &amp; loss</b>	<b>1.49</b>	<b>0.89</b>
<b>2 Other Comprehensive Income (OCI)</b>		
Measurement of net defined benefit liability		
Actuarial (gains)/ losses arising from changes in demographic assumptions	(0.42)	0.18
Actuarial (gains)/ losses arising from changes in financial assumption	0.52	0.26
Actuarial (gains)/ losses arising from experience adjustments	(0.31)	2.23
Return on plan asset excluding net interest	(0.10)	0.24
<b>Total Actuarial (Gain)/loss recognised in OCI</b>	<b>(0.31)</b>	<b>2.91</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Category	Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015
<b>3 Change in benefit obligations:</b>			
Projected benefit obligations at beginning of the year	7.68	5.25	4.16
Current Service Cost	1.21	0.85	1.02
Interest Cost	0.52	0.36	0.36
Benefits Paid	(0.38)	(1.45)	(0.36)
Actuarial (Gain) / Loss			0.02
Actuarial (gains)/ losses arising from changes in demographic assumptions	(0.42)	0.17	(0.11)
Actuarial (gains)/ losses arising from changes in financial assumption	0.52	0.26	0.82
Actuarial (gains)/ losses arising from experience adjustments	(0.32)	2.24	(0.66)
<b>Projected benefit obligations at end of the year</b>	<b>8.81</b>	<b>7.68</b>	<b>5.25</b>
<b>4 Fair Value of Plan Assets</b>			
Opening Fair Value of Plan Asset	3.65	4.51	4.40
Return on Plan Assets excl. interest income	0.10	(0.23)	(0.25)
Interest Income	0.24	0.31	0.39
Contributions by Employer	0.11	0.41	0.29
Benefits Paid	(0.31)	(1.35)	(0.32)
<b>Fair Value of Plan Assets at end</b>	<b>3.79</b>	<b>3.65</b>	<b>4.51</b>
<b>5 Sensitivity Analysis</b>			
Increase/(decrease) on present value of benefit obligation at the end of the year			
One percentage point increase in discount rate	(7.13)	(6.27)	(4.30)
One percentage point decrease in discount rate	8.71	7.49	4.95
One percentage point increase in rate of salary Increase	8.37	7.26	4.86
One percentage point decrease in rate of salary increase	(7.35)	(6.42)	(4.36)
One percentage point increase in attrition rate	(7.80)	(6.77)	(4.57)
One percentage point decrease in attrition rate	7.93	6.91	4.64
Ten percentage point increase in mortality rate	(7.86)	(6.84)	(4.60)
Ten percentage point decrease in mortality rate	7.87	6.84	4.60
<b>6 Principal assumptions used for the purpose of actuarial valuation</b>			
Mortality	IALM (2006-08) Ult	IALM (2006-08) Ult	IALM (2006-08) Ult
Interest /discount rate	6.69% - 7.40%	7.46% - 8.04%	7.77% - 7.95%
Rate of increase in compensation	7% - 10%	7% - 10%	7% - 10%
Expected average remaining service	11.97-12.82	9.39-13.64	7.18-12.87
Employee Attrition Rate (Past service(PS))	PS : 0 - 40 : 11.63%	PS : 0-5 Year : 8.68%	PS : 0-5 Year : 12.46%
		PS : 5-40 years - 6.01%	PS : 5-40 years: 9.07%
<b>7 Investment Details</b>			
Deposits with LIC of India	32.66%	30.56%	27.69%
Deposit with ING Vysya Life Insurance Corporation of India	67.34%	69.44%	72.31%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Above data pertains to Hathway Cable and Datacom Limited (Holding Company), Hathway Digital Pvt. Ltd. (f.k.a Hathway Datacom Central Pvt Ltd) (Wholly-owned subsidiary), Hathway Kokan Crystal Cable Network Pvt. Ltd (Subsidiary) and Hathway Bhawani Cabletel and Datacom Limited (Subsidiary) only. In the opinion of the management no material liabilities would arise on account of other subsidiaries.

**b) Defined Contribution Plans:**

The Total expenses recognised in the statement of Profit and Loss is ₹ 7.59 (March 31, 2016 : ₹ 3.96) represents contribution payable to these plans by the Group.

#### 4.04 CONTINGENT LIABILITIES

- a) The Company has given a counter indemnity favoring the bankers to the extent of ₹ 7.88 (March 31, 2016: ₹ 9.33 & April 1, 2015: ₹ 9.70) for issue of Bank Guarantees on behalf of the Company to various authorities/parties.
- b) Few Broadcasters and the Company have made claims and counter claims against each other relating to pay channel cost. Claims of such broadcasters, not acknowledged as liabilities, aggregate to ₹0.93 (March 31, 2016 : ₹ 1.13 ; April 1, 2015: ₹ 22.51) to the extent ascertained and not settled, are disclosed under contingent liabilities as Claims against the Company not acknowledged as debts.
- c) In the state of Telangana, VAT authorities have considered Set top boxes deployed as sale and raised demand of ₹ 18.05 (March 31, 2016 : ₹ 18.05 ; April 1, 2015 : ₹ 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.
- d) The minority shareholders of the erstwhile joint venture company, Hathway Rajesh Multichannel Pvt. Ltd., filed an arbitration petition against the Company before the High Court, Bombay, which was referred to a sole arbitrator in August 2016. The minority shareholders, in their statement of claim have sought, amongst other reliefs, payment of ₹54.98 towards costs of STBs, charges under various heads allegedly wrongly debited by the Company etc. The Company has refuted the claims and has made counter claim of ₹ 91.17 towards inter-alia outstanding content cost, loans, payments and damages/ compensation for the loss of financial and management credibility, goodwill etc. The matter is currently pending.
- e) Venkat Sai Media Private Limited ("VSMPL") initiated arbitration proceedings against the Company before the High Court, Bombay, which was referred to a sole arbitrator in the month of July 2016. VSMPL in their statement of claim have sought, among other reliefs, payment of ₹ 21.83 towards revenue, business and opportunity losses incurred by VSMPL due to the Company's wrongful conduct. The Company has refuted the claims and has made a counter-claim of ₹ 93.09 towards, inter-alia, damages for revenue and opportunity losses, activation charges of STBs, Data Card Charges, Digital Charges per STBs, loss of profit, compensation for loss of goodwill and costs of the proceedings. During hearing, Arbitrator passed an interim order to open Joint Bank account and directed VSMPL to deposit a sum of ₹ 0.17 per month. The matter is currently pending.
- f) Entertainment Tax Officer, Pune has raised demand for Entertainment Tax on secondary points up to October, 2014 amounting to ₹ 4.57 (March 31, 2016 : ₹ 4.57 ; April 1, 2015 : ₹ 4.57) Writ petition has been filed before the Bombay High Court challenging the demand. Another writ petition has also been filed challenging the constitutional validity, enforceability and legality of the amendment in the Maharashtra Entertainments Duty Act, 1923 brought about w.e.f June 25, 2014.
- g) Karnataka VAT Department has reassessed VAT liabilities for the financial Years 2011-12, 2012-13 and 2013-14 stating that the amount realized as activation charges is sale of STBs and liable to VAT. The total tax liability is determined at ₹ 10.28 (March 31, 2016 : ₹ 10.28 ; April 1, 2015 : ₹ 10.28). The honorable High Court has admitted the writ petition and has granted an order of stay over recovery of taxes.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- h) The Company has challenged levy of license fees for pure Internet services before Telecom Disputes Settlement & Appellate Tribunal (TDSAT). On merit of the case, TDSAT has granted stay till disposal of petition. The Company is contingently liable to the extent of ₹ 71.45 (March 31, 2016 : ₹. 33.55 ; April 1, 2015 : ₹ Nil). During the year, the Company has paid an amount of ₹ 5.36 (March 31, 2016 : ₹. 5.36 ; April 1, 2015 : ₹ Nil) under protest.
- i) Hathway Digital Pvt Ltd (f.k.a 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 Hon'ble Supreme Court Judgment in the case of Purvi Communication V/s West Bengal. As per management of the subsidiary, the subsidiary 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 subsidiary. The subsidiary has filed appeal before the Dy. Commissioner (Appeal) against the said demand. In support of the subsidiary's view the Hon'ble Rajasthan Tax Board, Ajmer has allowed the appeal of the subsidiary on the same issue by deleting the demand for ₹ 4.00 for the period March 2006 to Dec 2006 vide its order dated October 29, 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 Hon'ble High Court of Rajasthan, Jaipur Bench vide its order dated May 08, 2015 quashed & set aside the order of Rajasthan Tax Board and upheld the order of the DC (A) and AO. Thereafter the subsidiary company has filed a SLP petition before the Hon'ble Supreme Court of India and the Hon'ble Supreme Court has given the Interim stay against demand and as per the direction of the court the subsidiary has deposited the amount of ₹ 2.
- j) Pursuant to the enactment of the Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyapan Kar Adhiniyam 2011, (2011 Act) the Government of the Madhya Pradesh has levied Entertainment Tax on the Cable Operators w.e.f April 1, 2011. Accordingly Hathway Digital Pvt Ltd (f.k.a 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 subsidiary 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 subsidiary's petition, which order of dismissal was challenged by the subsidiary before the Hon'ble Supreme Court vide Special Leave Petition (SLP) 10316 of 2012 dt. April 9, 2012. The said SLP is under consideration before the Hon'ble Supreme Court along with a group of other petitions filed by the DTH and other service providers who have also challenged the levy of entertainment tax on their business on the same grounds as those taken by the subsidiary.

As per the view of the Management of the subsidiary, 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 subsidiary, however subsidiary is making payment of such entertainment tax under protest without prejudice to the subsidiary's rights/contentions.

Meanwhile, the Commercial Tax Department of Madhya Pradesh has passed an ex-parte assessment order and has demanded entertainment tax amounting to ₹ 3.23 for the period ended February 27, 2012 and penalty thereon for ₹ 6.47, aggregating to ₹ 9.70. The subsidiary 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 subsidiary 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 subsidiary. The application has been accepted by the settlement authority which is pending for adjudication. Simultaneously the subsidiary has also filed an application before the Indore Bench of the Hon'ble High Court of Madhya Pradesh for granting the stay to deposit the demand raised by the Commercial Tax Department and as per the direction of the Hon'ble High Court of the Madhya Pradesh the subsidiary has deposited balance of undisputed tax liability of ₹ 0.78 and got the stay order for the balance demand. Accordingly, during 2012-13 the subsidiary has charged such entertainment tax of ₹ 2.05 for financial year 2011-12 including ₹ 1.75 for the period ended February 27, 2012.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Settlement Authority has rejected the application vide order dated August 26, 2014. Thereafter, the subsidiary 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 November 26, 2014 and directed to subsidiary 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 subsidiary 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 Hon'ble High Court of Madhya Pradesh Indore Bench has rejected the writ petition of the subsidiary and thereafter the subsidiary has filed a SLP petition before the Hon'ble Supreme Court of India and the Hon'ble Supreme Court has given the Interim stay against demand and as per the direction of the court the subsidiary has deposited the amount of ₹ 1.00.

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 subsidiary has not provided for the said demand. And accordingly, amount deposited shown as non-current assets in its financial statement.

- k) Authorities has raised under Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyan Kar Adhiniyam 2011, (2011 Act), demand for ₹ 0.16 (March 31, 2016 : ₹. 16 ; April 1, 2015 : ₹ 16) for Entertainment Tax for the financial year 2012-13 against activation income of Hathway Digital Pvt Ltd (f.k.a Hathway Datacom Central Pvt. Ltd) i.e one of our subsidiary. Presently subsidiary is in second appeal against such demand and deposited ₹ 0.03 (March 31, 2016 : ₹. 0.03 ; April 1, 2015 : ₹ 0.03) under protest 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 subsidiary has not yet provided for the said demand. And accordingly, amount deposited shown as non-current assets in its financial statements.

### l) Income Tax Matters

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Income Tax matter under appeal (Of the above an amounts of ₹ 0.51 (March 31, 2016: ₹ 2.69, April 1, 2015: ₹ 2.46) has already been deposited with Income Tax Department)	5.19	9.62	9.19

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

Matters with	March 31, 2017	March 31, 2016	April 1, 2015
Operators & Others	8.94	7.46	7.46
Entertainment Tax Department in the city of Thane, Aurangabad, Agra, Ghaziabad, Hyderabad, Gwalior and Delhi	7.50	7.50	7.47
Other Statutory Departments	0.04	0.01	1.65
VAT department in the State of Maharashtra, Madhya Pradesh, Telangana and Karnataka	7.71	0.68	-
Service Tax department	4.39	0.16	-
Commercial Tax department Madhya Pradesh, Telanga and Noida	1.20	1.20	-
<b>Total</b>	<b>29.78</b>	<b>17.01</b>	<b>16.58</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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## 4.05 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) aggregate to ₹ 58.75 (March 31, 2016: ₹ 63.88 and April 1, 2015 : ₹ 64.26).

As a part of business strategy, the Group has expanded its area of operations in various parts of the country by entering into arrangements with local partners. Such operations are in the form of joint ventures (subsequently, some of such entities are converted into wholly owned subsidiaries). Since operations of such entities are significantly dependent on the Group's policies, the Group is committed to provide the required support towards the operations of such entities including financial support that may be required to meet commitments / obligations of such entities.

## 4.06 FINANCIAL CORPORATE GUARANTEE

The Company has given Corporate Guarantees of ₹ 113.64 (March 31, 2016 : ₹121.23 ; April 1, 2015 : ₹ 125.18) to Banks & ₹ 8.38 (March 31, 2016 : ₹ 32.80 ; April 1, 2015 : ₹ 32.80) to Others towards various credit facilities extended by them to the Joint ventures by the Bank.

## 4.07 CAPITAL MANAGEMENT

The Group's objective while managing capital is to maintain stable capital structure to support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital that would enable to maximise the return to stakeholders.

The Group's capital requirement is mainly to fund its business expansion and repayment of borrowings. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Group has adhered to material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements with respect to payment of principal and interest. No lender has raised any matter that may lead to breach of covenants stipulated in the underlying documents.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet, including non-controlling interest).

Age of Receivable	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Net Debt	1,637.48	1,535.06	1,049.31
Total Equity	896.22	1,090.01	1,313.48
<b>Net Debt to Equity Ratio</b>	<b>1.83</b>	<b>1.41</b>	<b>0.80</b>

## 4.08 FINANCIAL INSTRUMENTS :

### (i) Methods & assumption used to estimates the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, security deposits given, loans given to related parties, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets, security deposits taken, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

- c) The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- d) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

### (ii) Categories of financial instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying values	Fair value	Carrying values	Fair value	Carrying values	Fair value
<b>Financial assets</b>						
<b>Measured at amortised cost</b>						
Non- current investments	0.16	0.16	0.16	0.16	0.16	0.16
Trade receivables	345.11	345.11	287.21	287.21	233.84	233.84
Loans and Advances	24.89	24.89	42.39	42.39	16.76	16.76
Cash and Bank balances	79.29	79.29	71.98	71.98	93.71	93.71
Other financial assets	37.57	37.57	36.63	36.63	42.09	42.09
<b>Total (A)</b>	<b>487.02</b>	<b>487.02</b>	<b>438.37</b>	<b>438.37</b>	<b>386.56</b>	<b>386.56</b>
Investment in mutual funds	-	-	-	-	89.30	89.30
Derivative Instruments	-	-	0.77	0.77	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>0.77</b>	<b>0.77</b>	<b>89.30</b>	<b>89.30</b>
<b>Measured at fair value through other comprehensive income</b>						
Investment in other companies	-	-	4.25	4.25	4.25	4.25
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>
<b>Total Financial assets (A+B+C)</b>	<b>487.02</b>	<b>487.02</b>	<b>443.39</b>	<b>443.39</b>	<b>480.11</b>	<b>480.11</b>
<b>Financial liabilities</b>						
<b>Measured at amortised cost</b>						
Borrowings	1688.40	1688.40	1576.66	1576.66	1082.42	1082.42
Trade payables	176.28	176.28	177.71	177.71	144.36	144.36
Other financial liabilities	233.10	233.10	153.48	153.48	118.73	118.73
<b>Total (A)</b>	<b>2097.78</b>	<b>2097.78</b>	<b>1907.85</b>	<b>1907.85</b>	<b>1345.51</b>	<b>1345.51</b>
Derivative Instruments	16.55	16.55	18.77	18.77	7.74	7.74
<b>Total (B)</b>	<b>16.55</b>	<b>16.55</b>	<b>18.77</b>	<b>18.77</b>	<b>7.74</b>	<b>7.74</b>
<b>Total Financial liabilities (A+B)</b>	<b>2,114.33</b>	<b>2,114.33</b>	<b>1,926.62</b>	<b>1,926.62</b>	<b>1,353.25</b>	<b>1,353.25</b>

### iii. Level wise disclosure of financial instruments

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies	-	4.25	4.25	3	Discounted cash flow analysis
Foreign currency forward contracts - Assets	-	0.77	-	2	Quotes from banks or dealers
Foreign currency forward contracts - Liability	9.47	-	2.47	2	Quotes from banks or dealers
Currency Swap contracts - Liability	7.08	18.77	5.27	2	Quotes from banks

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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## 4.09 FINANCIAL RISK MANAGEMENT

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Board of Directors. The details of different types of risk and management policy to address these risks are listed below:

The business activities of the group expose it to financial risks namely Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the group, it uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency swap contracts, call options are entered to hedge certain foreign currency risk exposures and follows policies set up by a Treasury department under policies approved by the Board of Directors.

### 1. Credit Risk :

Credit risk arises from the possibility that counter party will cause financial loss to the group by failing to discharge its obligation as agreed.

The group's exposure to credit risk arises mainly from the trade receivables, loans given, financial guarantee contract and derivative financial instruments.

Credit risks from balances with banks and financial institutions are managed in accordance with the group policy. For derivative and financial instruments, the group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

The group's major revenue streams arises from services provided to end use customers in the form of monthly subscription income and receivables from broadcasters for carriage / placement income. The trade receivables on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. As the customer base is distributed economically and geographically, there is no concentration of credit risk. In case of receivables from the carriage / placement income, as there is no independent credit rating of the broadcasters available with the group, the management reviews the credit-worthiness of the broadcasters based on their financial position, past experience and other factors. The credit period provided by the group to its end use customers and broadcasters generally ranges from 0 to 30 days.

The group follows a simplified approach (i.e based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring the lifetime ECL allowance for trade receivables, the group uses a provision matrix which comprise a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not recoverable. Based on the industry practices and business environment in which the group operates, management considers that the trade receivables are in default if the payment are more than 12 months past due.

**Table showing age of gross trade receivables and movement in expected credit loss allowance:**

Age of Receivable	As at March 31,2017	As at March 31, 2016	As at April 1, 2015
Within the credit period			
1-90 days past due	194.73	225.10	150.24
91-180 days past due	85.33	78.50	97.74
181-270 days past due	57.99	60.61	53.57
271-365 days past due	40.38	52.21	36.08
More than 365 days past due	91.68	159.11	121.05
<b>Total</b>	<b>470.11</b>	<b>575.53</b>	<b>458.68</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### Reconciliation of changes in in the loss allowances measured using life-time expected credit loss model - Trade receivables

Particulars	Amount
<b>As at April 1, 2015</b>	224.84
Change in relationship from Joint venture to Subsidiary	(7.34)
Provided during the year	73.58
Amounts written off	(2.75)
<b>As at March 31, 2016</b>	<b>288.33</b>
Change in relationship from Joint venture to Subsidiary	7.20
Provided during the year	49.29
Amounts written off	(219.71)
Provision reversed	(0.10)
<b>As at March 31, 2017</b>	<b>125.01</b>

The Trade Receivables includes amount due from disconnected / inactive customers / LCOs with whom no inter-connect documents have been executed and outstanding in excess of one year. The Group is taking adequate steps for recovery of overdue debts and advances and wherever necessary, adequate provisions as per expected credit loss model have been made.

## 2 Liquidity Risk

Liquidity risk is the risk that the group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The group's liquidity risk management policies include to, at all times ensure sufficient liquidity to meet its liabilities when they are due, by maintaining adequate sources of financing from both domestic and international banks at an optimised cost. In addition, processes and policies related to such risks are overseen by senior management. The group's senior management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

### Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2017	less than 1 year	1 to 5 year	Total
<b>Non-Derivatives</b>			
Trade payables	176.25	0.03	176.28
Borrowings	1,047.98	1,234.30	2,282.28
Other financial liabilities	840.13	16.33	856.46
<b>Total</b>	<b>2064.36</b>	<b>1250.66</b>	<b>3315.02</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forwards	9.47	-	9.47
Currency Swap Contract	4.85	2.21	7.06
<b>Total</b>	<b>14.32</b>	<b>2.21</b>	<b>16.53</b>
<b>As at March 31, 2016</b>	<b>less than 1 year</b>	<b>1 to 5 year</b>	<b>Total</b>
<b>Non-Derivatives</b>			
Trade payables	177.68	0.03	177.71
Borrowings	787.65	1,204.17	1,991.82
Other financial liabilities	534.70	19.81	554.51
<b>Total</b>	<b>1500.03</b>	<b>1224.01</b>	<b>2724.04</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forwards	-	-	-
Currency Swap Contract	6.29	10.10	16.39
<b>Total</b>	<b>6.29</b>	<b>10.10</b>	<b>16.39</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

As at April 1, 2015	less than 1 year	1 to 5 year	Total
Trade payables	144.36	-	144.36
Borrowings	555.28	788.36	1,343.64
Other financial liabilities	417.16	14.97	432.13
<b>Total</b>	<b>1116.80</b>	<b>803.33</b>	<b>1920.13</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forwards	2.47	-	2.47
Currency swap contract	-	3.24	3.24
<b>Total</b>	<b>2.47</b>	<b>3.24</b>	<b>5.71</b>

The Group from time to time in its usual course of business has issued financial guarantees to certain Joint ventures. Accordingly, as on March 31, 2017, March 31, 2016 and April 1, 2015 Group has issued corporate guarantee for debt of ₹ 122.02, ₹ 154.03 and ₹ 157.98 respectively. The outflow in respect of these guarantees will arise only upon default of the such joint ventures. An amount of ₹ 66.70 is due for repayment within 1 year and ₹ 55.32 is due for repayment within 1 - 5 Years from the reporting date.

### Financing arrangements

The Group has sufficient sanctioned line of credit from its bankers / financiers; commensurate to its business requirements. The group reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit.

The Group pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds.

### 3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The group is exposed in the ordinary course of business to risks related to changes in foreign currency exchange rate and interest rate.

#### a) Market Risk – Foreign Exchange

Foreign exchange risk arises on all recognised monetary assets and liabilities which are denominated in a currency other than the functional currency of the group. The group has foreign currency trade payables, receivables and borrowings. However, foreign exchange exposure mainly arises from borrowings and trade payables denominated in foreign currencies.

Foreign currency risk is managed by following established risk management policies, which inter alia includes monitoring the movements in currencies in which the borrowings / capex vendors are payable and hedging the exposure to foreign currency risk by entering into forward currency contracts, call options and currency swaps contracts.

The group does not enter into or trade financial instruments, including derivatives for speculative purpose

The carrying amount of the group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### Foreign Currency Exposure

Foreign currency exposure as at April 1, 2015	USD	JPY
<b>Assets</b>		
Trade receivables	-	-
Loans and other receivables	6.96	-
<b>Liabilities</b>		
Borrowings	779.75	-
Trade payables	22.67	0.95
Derivative Instruments		
Forward contracts - Liability	2.47	-

Foreign currency exposure as at March 31, 2016	USD	JPY
<b>Assets</b>		
Trade receivables	1.62	-
Loans and other receivables	22.54	-
<b>Liabilities</b>		
Borrowings	1152.5	-
Trade payables	6.65	0.30
Derivative Instruments		
Forward contracts for loan	(0.76)	-

Foreign currency exposure as at March 31, 2017	USD	Others
<b>Assets</b>		
Trade payables	1.59	-
Loans and other receivables	6.87	-
<b>Liabilities</b>		
Borrowings	896.38	-
Trade payables	53.75	-
Derivative Instruments		
Forward contracts for loan	(9.47)	-

### Unhedged Foreign Currency Exposure :

Currency	March 31, 2017		March 31, 2016		April 1, 2015	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
<b>Secured Loans</b>						
USD	8.80	570.57	17.21	1,139.97	12.34	771.56
<b>Accounts Payables</b>						
USD	0.70	45.15	0.10	6.65	0.36	22.67
JPY	-	-	0.52	0.30	1.82	0.95
<b>Other Firm Commitments</b>						
USD	1.03	66.70	1.18	77.96	1.24	77.31
JPY	-	-	0.05	0.03	1.11	0.58
<b>Accounts Receivables</b>						
USD	0.02	1.59	0.02	1.62	-	-

The Company has booked INR USD Cross Currency Swap Contracts of USD 3.50 (March 31, 2016:USD 3.50) against the underlying INR borrowing of ₹ 215.71 (March 31, 2016 : ₹ 215.71). The outstanding at the year end for the same is INR borrowing is ₹ 132.14 and currency swap contract amount is USD 2.15. The actual interest

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

earned on notional INR deposit, interest paid on notional USD borrowing, exchange fluctuation on payment/settlement of principal amount and marked to market loss on USD exposure aggregating net gain/(loss) of ₹ 14.76 (March 31, 2016 : ₹ (0.25)) are included under finance cost in note number 3.05 in Notes to the financial statements.

## Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on loss before tax and on other components of equity

Particulars	Impact on loss before tax: Increase/(Decrease)			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	8.73	11.58	(8.73)	(11.58)

Particulars	Impact on other components of equity : (Increase)/Decrease			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
USD	(8.73)	(11.58)	8.73	11.58

## b) Market Risk – Interest Rate

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group is exposed to interest rate risk because the group has borrowed funds substantially at floating interest rates. The interest rate risk is managed by the group by the use of interest rate swap and by monitoring monthly cash flow which is reviewed by management to prevent loss of interest.

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Variable rate borrowings	1,597.52	1,320.58	864.46
Fixed rate borrowings	100.24	268.54	222.88

## Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of borrowing outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel.

	Impact on loss: Increase/(Decrease)		Impact on equity (Increase)/Decrease	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	1 % Increase	1 % Increase	1 % Decrease	1 % Decrease
Interest rates - increase by 100 basis points *	14.59	10.93	(14.59)	(10.93)
Interest rates - decrease by 100 basis points *	(14.59)	(10.93)	14.59	10.93

\* assuming all other variables as constant

The sensitivity disclosed in the above table is attributable to variable interest rate borrowings and the interest swaps. The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the group's borrowings in INR, USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 4.10 SEGMENTAL REPORTING

As the Group's business activity falls within a single business segment viz. providing Cable Television network services, Internet Services and allied services which is considered as the only reportable segment and the revenue substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

### 4.11 RELATED PARTY DISCLOSURES

#### Particulars of Related Parties

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

##### i) Under Control of the Company

<b>Joint Ventures</b>	Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd. GTPPL Hathway Ltd. (f.k.a.GTPL Hathway Pvt. Ltd.) Hathway Sai Star Cable & Datacom Pvt. Ltd. Hathway MCN Pvt. Ltd. Hathway Channel 5 Cable and Datacom Pvt. Ltd. Net 9 Online Hathway Pvt. Ltd. Hathway Cable MCN Nanded Pvt. Ltd. Hathway Latur MCN Cable & Datacom Pvt. Ltd. Hathway Palampur Cable Network Pvt. Ltd. Hathway Mysore Cable Network Pvt. Ltd. (till March 25, 2017) Hathway ICE Television Pvt. Ltd. Hathway Sonali Om Crystal Cable Pvt. Ltd. Hathway Dattatray Cable Network Pvt. Ltd. Hathway Software Developers Pvt. Ltd (till May 28, 2015) Hathway Prime Cable & Datacom Pvt. Ltd. Hathway New Concept Cable & Datacom Pvt. Ltd. (till October 29, 2015) Hathway SS Cable & Datacom - LLP Hathway Sukhamrit Cable and Datacom Pvt. Ltd.
<b>Joint Ventures of Subsidiaries</b>	Hathway Universal VCN LLP (upto October 21, 2016) Hathway CCN Multinet Pvt. Ltd. Hathway CCN Entertainment (India) Pvt. Ltd. Hathway CBN Multinet Pvt. Ltd. Hathway CCN Multi Entertainment Pvt. Ltd. Hathway Bhawani NDS Network Pvt. Ltd.
<b>Associate Companies</b>	Pan Cable Services Pvt. Ltd. Hathway VCN Cablenet Pvt. Ltd.
<b>Post Employment benefit plan</b>	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme
<b>Key Managerial Personnel</b>	<b>Executive Directors :-</b> Mr. Jagdish Kumar G Pillai - Managing Director & CEO (upto 25.11.2016) Mr. Rajan Gupta - Managing Director (w.e.f 25.11.2016) <b>Non Executive :-</b> <b>Independent Directors</b> Mr. Sridhar Gorthi Chairman Mr. Sasha Gulu Mirchandani Mr. Devendra Shrotri Ms. Ameeta A Parpia <b>Non Independent Directors</b> Mr. Rajan B Raheja Mr. Viren R Raheja Mr. Akshay R Raheja Mr. Vinayak P Aggarwal

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## Compensation to Key Managerial Personnel:-

Particulars	March 31, 2017	March 31, 2016
(a) Short Term employee benefits	2.27	2.50
(b) Post employment benefits	0.07	0.07
(c) Other long term benefits	-	-
(d) Sitting Fees	0.25	0.22
<b>Total Compensation</b>	<b>2.59</b>	<b>2.79</b>

As the post-employment benefits such as Gratuity & Leave encashment are provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Managerial Personnel is not ascertainable and therefore not included above.

## B) Related Party Transactions :-

Nature of Transactions	Name of the Party	Relationship	F.Y. 2016-17	F.Y. 2015-16
<b>INCOME</b>				
Subscription Income	Hathway MCN Pvt. Ltd.	Joint venture	6.98	7.19
	Hathway Sai Star Cable And Datacom Pvt. Ltd.	Joint venture	5.71	8.27
	Hathway Sonali Om Crystal Cable Pvt. Ltd.	Joint venture	1.40	10.57
	Hathway Dattatray Cable Network Pvt. Ltd.	Joint venture	3.30	-
	Hathway Mysore Cable Network Pvt. Ltd.	Joint venture	-	7.82
	Others	Joint venture	5.12	1.45
	Others	Joint Venture of Subsidiary	1.19	0.33
Rental Income on Equipments	GTPL Hathway Ltd.	Joint venture	0.34	0.39
	Hathway Cable MCN Nanded Pvt. Ltd.	Joint venture	0.42	-
	Hathway Sai Star Cable And Datacom Pvt. Ltd.	Joint venture	-	0.09
Consultancy Income	Hathway Latur MCN Cable & Datacom Pvt. Ltd.	Joint venture	0.18	0.30
	Hathway MCN Pvt. Ltd.	Joint venture	0.37	-
	Net 9 Online Pvt. Ltd.	Joint venture	0.78	0.43
	Hathway Sonali Om Crystal Cable Pvt. Ltd.	Joint venture	-	3.39
	Hathway CCN Entertainment (India) Pvt. Ltd.	Joint Venture of Subsidiary	0.26	0.25
	Others	Joint venture	-	0.15
Interest on Loans	Hathway Sai Star Cable And Datacom Pvt. Ltd.	Joint venture	0.17	0.11
	Hathway Sonali Om Crystal Cable Pvt. Ltd.	Joint venture	0.11	0.01
	Hathway Mysore Cable Network Pvt. Ltd.	Joint venture	-	0.15
	Others	Joint venture	0.04	0.01
Dividend Income	GTPL Hathway Limited	Joint venture	0.24	-
<b>EXPENSES</b>				
Distribution Cost	Hathway MCN Pvt. Ltd.	Joint venture	6.24	8.08
	Hathway Sonali Om Crystal Cable Pvt. Ltd.	Joint venture	0.81	8.78
	Others	Joint venture	1.55	2.41
	Others	Joint Venture of Subsidiary	2.11	2.38

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transactions	Name of the Party	Relationship	F.Y. 2016-17	F.Y. 2015-16
Feed Charges	Hathway MCN Pvt. Ltd.	Joint venture	2.83	2.40
	Hathway Mysore Cable Network Pvt. Ltd.	Joint venture	-	0.32
	Hathway CCN Entertainment India Pvt. Ltd.	Joint Venture of Subsidiary	-	0.24
	Hathway CBN Multinet Pvt. Ltd.	Joint Venture of Subsidiary	-	0.44
	Hathway CCN Multi Entertainment Pvt. Ltd.	Joint Venture of Subsidiary	-	0.17
	Others	Joint venture	0.02	0.02
Rent Offices	Mr. Akshay R Raheja	Key Managerial Personnel	1.94	1.42
	Mr. Viren R Raheja	Key Managerial Personnel	1.82	1.42
	Others	Joint venture	0.08	0.11
Post Employment benefit plan	Hathway Cable and Datacom Limited Employee Group Gratuity Assurance Scheme	Trust	0.11	0.39

### TRANSACTION DURING THE YEAR

Nature of Transactions	Name of the Party	Relationship	F.Y. 2016-17	F.Y. 2015-16
Impairment in value of Investments made during the year	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd.	Joint Venture	0.48	-
	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Joint Venture	-	16.68
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	-	11.07
	Others	Joint Venture	-	2.50
Allowance for bad and doubtful loans made during the year	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd.	Joint Venture	0.98	-
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	7.77	-
	Others	Joint Venture	0.06	-
Allowance for bad and doubtful debts made during the year	Hathway Sai Star Cable and Datacom Pvt. Ltd.	Joint Venture	0.21	-
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	0.34	-
Net Advances / Trade Receivables/ Trade Payables Made During the Year	Hathway Dattatray Cable Network Pvt. Ltd.	Joint Venture	2.97	-
	Hathway Mysore Cable Network Pvt. Ltd.	Joint Venture	-	6.68
	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Joint Venture	2.08	7.27
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	-	14.45
	Others	Joint Venture	2.34	1.63
	Others	Joint Venture of Subsidiary	0.54	1.23
Net Advances / Trade Receivables/ Trade Payables Recovered / paid During the Year	Hathway CBN Multinet Pvt. Ltd.	Joint Venture of Subsidiary	0.87	-
	Hathway CCN Entertainment (India) Pvt. Ltd.	Joint Venture of Subsidiary	0.38	-
	Hathway Dattatray Cable Network Pvt. Ltd.	Joint Venture	-	0.60
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	1.26	-
	Hathway CCN Multinet Pvt. Ltd.	Joint Venture of Subsidiary	0.88	-
	Others	Associate	-	-
Others	Joint Venture	0.21	0.05	

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transactions	Name of the Party	Relationship	F.Y. 2016-17	F.Y. 2015-16
Investment made during the year	GTPL Hathway Ltd.	Joint Venture	-	31.44
	Hathway Mysore Cable Network Pvt. Ltd.	Joint Venture	-	7.00
Security Deposit given during the year	Mr. Viren R Raheja	Key Managerial Personnel	-	0.58
	Mr. Akshay R Raheja	Key Managerial Personnel	-	0.58

## CLOSING BALANCES

Nature of Transactions	Name of the Party	Relationship	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investments	GTPL Hathway Ltd.	Joint Venture	197.70	197.70	166.26
	Hathway Mysore Cable Network Pvt. Ltd.	Joint Venture	-	10.64	3.64
	Hathway New Concept Cable & Datacom Pvt. Ltd.	Joint Venture	-	-	7.14
	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Joint Venture	27.09	27.09	27.09
	Hathway Software Developers Pvt. Ltd.	Joint Venture	-	-	2.20
	Others	Associate	0.10	0.10	0.10
	Others	Joint Venture	46.65	46.65	46.65
Loans & advances	GTPL Hathway Ltd.	Joint Venture	10.32	10.32	10.32
	Hathway Mysore Cable Network Pvt. Ltd.	Joint Venture	-	4.45	1.55
	Hathway New Concept Cable & Datacom Pvt. Ltd.	Joint Venture	-	-	0.04
	Hathway Software Developers Pvt. Ltd.	Joint Venture	-	-	0.88
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	15.53	15.53	0.11
	Hathway VCN Cablenet Pvt. Ltd.	Associate	5.50	5.50	5.50
	Others	Associate	0.59	0.59	0.59
	Others	Joint Venture	4.37	4.16	2.62
Allowance for bad and doubtful debts	Others	Joint Venture of Subsidiary	3.06	2.79	2.75
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Joint Venture	3.81	3.81	3.81
	Hathway New Concept Cable & Datacom Pvt. Ltd.	Joint Venture	-	-	10.60
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	Joint Venture	2.28	2.28	2.28
Impairment in Value of Investments	Others	Joint Venture	0.80	0.26	0.26
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Joint Venture	6.28	6.28	6.28
	Hathway New Concept Cable & Datacom Pvt. Ltd.	Joint Venture	-	-	4.03
	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Joint Venture	16.68	16.68	-
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	11.07	11.07	-
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	Joint Venture	-	-	2.01
	Others	Associate	0.10	0.10	0.10
Allowance for bad and doubtful loans	Others	Joint Venture	5.62	5.14	0.64
	Hathway New Concept Cable & Datacom Pvt. Ltd.	Joint Venture	-	-	0.04
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	7.77	-	-
	Hathway VCN Cablenet Pvt. Ltd.	Associate	5.50	5.50	5.50
	Others	Associate	0.59	0.59	0.59
Others	Joint Venture	1.28	0.24	0.24	

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transactions	Name of the Party	Relationship	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payables	Hathway CBN Multinet Pvt. Ltd.	Joint Venture of Subsidiary	0.78	0.06	0.58
	Hathway CCN Entertainment (India) Pvt. Ltd.	Joint Venture of Subsidiary	0.51	0.13	0.71
	Hathway Dattatray Cable Network Pvt. Ltd.	Joint Venture	-	0.80	0.80
	Hathway ICE Television Pvt. Ltd.	Joint Venture	0.87	0.87	0.87
	Hathway MCN Pvt. Ltd.	Joint Venture	-	0.61	1.86
	Hathway Mysore Cable Network Pvt. Ltd.	Joint Venture	-	0.16	-
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	0.03	0.03	-
	Hathway SS Cable & Datacom LLP	Joint Venture	0.85	0.77	0.24
	Hathway CCN Multi Entertainment (India) Pvt. Ltd.	Joint Venture of Subsidiary	0.24	0.96	0.54
	Hathway Palampur Cable Network Pvt. Ltd.	Joint Venture	0.36	0.25	0.17
	Others	Joint Venture	-	0.10	0.40
Trade Receivables	GTPL Hathway Ltd	Joint Venture	3.68	3.25	2.87
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Joint Venture	3.81	3.81	3.81
	Hathway Mysore Cable Network Pvt. Ltd.	Joint Venture	-	5.50	1.42
	Hathway New Concept Cable & Datacom Pvt. Ltd.	Joint Venture	-	-	10.60
	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Joint Venture	14.05	11.97	5.89
	Hathway Software Developers Pvt. Ltd.	Joint Venture	-	-	1.36
	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Joint Venture	4.73	5.99	6.96
	Hathway VCN Cablenet Pvt. Ltd.	Associate	0.32	0.32	0.32
	Net 9 Online Hathway Pvt. Ltd.	Joint Venture	0.28	0.24	0.17
	Hathway Bhawani NDS Network Pvt.Ltd.	Joint Venture of Subsidiary	0.14	0.41	0.49
	Others	Joint Venture	5.76	2.99	2.60
Others	Joint Venture of Subsidiary	1.47	2.50	1.27	
Share Application Money	Hathway Mysore Cable Network Pvt. Ltd.	Joint venture	-	-	7.00
	Hathway Software Developers Pvt. Ltd.	Joint venture	-	-	7.55
	GTPL Hathway Ltd	Joint venture	-	-	5.00
Security Deposit Given	Mr. Viren R Raheja	Key Managerial Personnel	1.84	1.84	1.26
	Mr. Akshay R Raheja	Key Managerial Personnel	1.84	1.84	1.26

In addition to above, the Company has extended aggregate loan of ₹ 22.67 (March 31, 2016 : ₹ 22.67 ; April 1, 2015: ₹ 6.68) to various Joint Ventures, out of which ₹ 8.42 (March 31, 2016 : ₹ 8.42 ; April 1, 2015 : ₹ 6.68) is interest free. The Company has given Corporate financial Guarantees of ₹ 120.93 (March 31, 2016 : ₹ 150.93; April 1, 2015: ₹ 153.93) for the borrowings availed by GTPL Hathway Ltd., and ₹ 1.09 (March 31, 2016: ₹ 3.1; April 1, 2015: 4.05) and Hathway MCN Pvt Ltd. The Company has fair valued investment in some of its Joint Ventures and recognised net gain aggregating to ₹435.61 (March 31, 2016 : 435.61; April 1, 2015: 435.61)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 4.12 INTEREST IN OTHER ENTITIES

### a) Subsidiaries

The Group's subsidiaries at March 31, 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group. The country of incorporation or registration is also their principle place of business.

Name of Subsidiary	Principal Activity	Place of Incorporation & Operation	Proportion of ownership interest and voting power held by them		
			March 31, 2017	March 31, 2016	April 1, 2015
Hathway New Concept Cable and Datacom Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	*
Hathway Software Developers Pvt Ltd	Cable Television network Services	India	100.00%	84.04%	*
Hathway Bhawani Cabletel and Datacom Ltd	Cable Television network Services	India	51.60%	51.60%	51.60%
Hathway Digital Private Limited (F.k.a. Hathway Datacom Central Pvt Ltd)	Cable Television network Services	India	100.00%	100.00%	100.00%
Hathway Broadband Pvt Ltd	Internet Service Provider	India	100.00%	100.00%	100.00%
Hathway Krishna Cable Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	97.74%
Bee Network and Communication Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Hathway Nashik Cable Network Pvt Ltd	Cable Television network Services	India	90.06%	90.06%	90.06%
Hathway Kokan Crystal Cable Network Pvt Ltd	Cable Television network Services	India	96.36%	96.36%	90.00%
Hathway Cnet Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Channels India Network Pvt Ltd	Cable Television network Services	India	95.63%	95.63%	95.63%
Hathway Enjoy Cable Network Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Hathway JMD Farukhabad Cable Network Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Chennai Cable Vision Network Pvt Ltd	Cable Television network Services	India	75.99%	75.99%	75.99%
Hathway Media Vision Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Elite Cable Network Pvt Ltd	Cable Television network Services	India	80.00%	80.00%	80.00%
Hathway United Cables Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
UTN Cable Communication Pvt Ltd	Cable Television network Services	India	100.00%	96.27%	96.27%
Hathway Space Vision Cabletel Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Hathway Universal Cabletel and Datacom Pvt Ltd	Cable Television network Services	India	0%***	100.00%	100.00%
Hathway Gwalior Cable and Datacom Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Ideal Cables Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Binary Technology Transfers Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Hathway Internet Satellite Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
ITV Interactive Media Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Liberty Media Vision Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Vision India Network Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Win Cable & Datacom Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%
Hathway Mysore Cable Network Pvt Ltd	Cable Television network Services	India	100.00%	**	**
Hathway Mantra Cable and Datacom Pvt Ltd	Cable Television network Services	India	100.00%	100.00%	100.00%

\* These entities were Joint Venture as on April 1, 2015

\*\* Entity was Joint Venture as on April 1, 2015 and March 31, 2016

\*\*\* Investment in Hathway Universal Cabletel and Datacom Pvt Ltd disposed off during F.Y. 2016-17

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## b) Non-controlling interests

The Group doesn't have any material non-controlling interest warranting a disclosure as per Ind AS 112 (12).

## c) Interest in Joint Ventures and Associates

Below is the joint venture of the Group as at March 31, 2017 which, in the opinion of the directors, is material to the Group. The entity listed below has share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount		
					March 31, 2017	March 31, 2016	April 1, 2015
GTPL Hathway Ltd (f.k.a GTPL Hathway Pvt Ltd)	India	50.00%	Joint Venture	Equity method	676.42	668.04	634.67

\* Unlisted entity - no quoted price available

### Share in Contingent liabilities of GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) :

- (i) The sales tax officer has raised demand of ₹ 1.11 (including interest of ₹ 0.26) as per West Bengal Value Added Tax Rules, 2005 from GTPL Hathway Ltd i.e. one of our Joint Venture considering turnover of ₹ 12.6 instead of ₹ 1.75 without considering the facts of the case. It has already made payment of ₹ 0.12 as tax and interest. So, the disputed tax liability including interest raised by sales tax officer is ₹ 1.00 against which it has provided security of ₹ 0.15 under protest. It has also filed appeal to Directorate of commercial tax for the same.
- (ii) The Assistant Commissioner of Sales Tax (Investigation), Nagpur issued Demand Notice to GTPL Hathway Ltd i.e. one of our Joint Venture of ₹ 0.02 (includes Interest of ₹ 0.01 and Penalty of ₹ 0.003) against which it has filed appeal to Dy. Commissioner of Sales Tax (Appeals), Nagpur. It has already made payment of ₹ 0.01 under protest.
- (iii) The additional district collector of Nagpur had raised demand of ₹ 0.30 to GTPL Hathway Ltd i.e. one of our Joint Venture towards entertainment tax under Maharashtra Land Revenue Act for April 2013 to June 2013 and ₹ 1.77 (including interest of ₹ 0.23) for July 2013 to October 2014. Against the demand, it had filed writ petition in the Bombay High Court.
- (iv) The Deputy Commissioner of Income Tax has given order to GTPL Hathway Ltd i.e. one of our Joint Venture under section 143(3) r.w.s. 147 of the Income Tax Act, 1961 and raised demand of ₹ 1.06 against which it has paid ₹ 1.06 under protest. It has also filed appeal to Commissioner of Income Tax (Appeal) against the said order.
- (v) GTPL Kolkata cable & Broadband Pariseva Ltd, one of the Subsidiary Company of our Joint Venture GTPL Hathway Ltd. has disputed sales tax demand (Appeal filed with Additional Commissioner. Commercial Taxes) ₹ 1.58.
- (vi) GTPL Kolkata cable & Broadband Pariseva Ltd one of the Subsidiary Company of our Joint Venture GTPL Hathway Ltd. has disputed sales tax demand for Set Top Boxes (Appeal filed with West Bengal Taxation Tribunal) ₹ 0.20 against which it has paid ₹ 0.07 under protest.
- (vii) The Agricultural Income tax officer had assessed amusement tax liability of ₹ 3.30 for GTPL Kolkata Cable & Broadband Pariseva Ltd one of the Subsidiary Company of our Joint Venture GTPL Hathway Ltd. against which the it has tiled appeal with Assisstant Commissioner of Agricultural Income Tax for disputed tax liability of ₹ 0.21 along with penalty of ₹ 0.01 and Interest of ₹ 0.38.
- (viii) GTPL Broadband Private Limited (GBPL), one of the Subsidiary Company of our Joint Venture GTPL Hathway Ltd., has been granted Unified License from Ministry of Communications & IT, under Government of India, under which GBPL is required to pay an annual license fee at the rate of 8% of the its adjusted gross revenue. Hathway Cable and Datacom Limited (Hathway), the Company's Holding Company, along with others has filed a petition (petition no. 655 of 2015) under sections 14 and 14A of the TRAI Act against the DoT before the Telecom Dispute Settlement Appellate Tribunal (TDSAT). It was averred that the unified ISP license policy arbitrarily distinguished between existing ISP licenses required to be renewed and existing ISP licenses not requiring renewal for the

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

near future. Further, it was averred that the inclusion of revenue from pure internet services in the adjusted gross revenue for the computation of license fees under DoT's new unified ISP license policy was contrary to the order dated October 12, 2012 of the TDSAT (in petition No. 429 of 2012). TDSAT vide its order dated December 10, 2015 (TDSAT Order) has granted stay with respect to the matter filed by Hathway. Further, GBPL is in the process of filing a petition with the TDSAT on similar grounds. The license fee for the nine months ended December 31, 2016 works out to ₹ 6.93 (Group share= 3.47) (8% of ₹ 86.64 adjusted gross revenue). On the basis of the TDSAT Order, the license fee of ₹ 3.47 has been considered to be contingent in nature.

- (ix) A shareholder of GTPL Kolkata Cable & Broadband Pariseva Limited one of the Subsidiary Company of our Joint Venture GTPL Hathway Ltd. offered to sale his 30,000 share to company (buy back), price offered by it was not accepted by him. Matter was then referred to Company Law Board, whereby Board appointed valuer. Valuation finalized by Company Law Board was not accepted by company, hence, petition was filed with High Court against Board's order. Value was finalized by valuer of High Court at ₹ 2.4. Hence, petition was filed in Supreme Court against order passed by high court.

Supreme Court agreed to hear petition on a condition that "Company to deposit ₹ 2 in cash & ₹ 0.05 as bank guarantee (Group share = ₹ 1 in cash & ₹ 0.02 as bank guarantee) with registrar of court". Hence, company has paid ₹ 1.24 as guarantee with Registrar and petition is yet to be heard in Supreme Court.

- (x) The Assistant commissioner of Commercial Tax, Patna had assessed entertainment tax liability of ₹ 0.78 for financial year 2014-15 and ₹ 0.68 for FY 2015-16 of GTPL DCPL Private Limited one of the Subsidiary Company of our Joint Venture GTPL Hathway Ltd. against which it has filed appeal with Joint Commissioner of Commercial Tax (Appeal).

## Share in Capital and other commitments of GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) :

Estimated amount of contracts remaining to be executed on capital account including commitment towards investments in subsidiaries and joint ventures / partnerships net of advances aggregate to ₹ 2.99 (March 31, 2016: ₹ 3.30 and April 1, 2015 : ₹ 3.36).

## Share in bank guarantees of GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) :

GTPL Hathway Limited has given bank guarantees of ₹ 3.75 (March 31, 2016 : ₹ 2.31 ; April 1, 2015 : ₹ 1.26).

## Summarised financial information for the Joint Venture

The tables below provide summarised financial information for the joint venture that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of such joint venture and not parent's share of those amounts.

### Summarised balance sheet

	GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd)		
	March 31, 2017 #	March 31, 2016	April 1, 2015
Current assets			
Cash and cash equivalents	96.67	85.83	61.05
Other assets	403.40	325.74	295.64
<b>Total Current assets</b>	<b>500.07</b>	<b>411.57</b>	<b>356.69</b>
<b>Total Non current assets</b>	<b>1,191.51</b>	<b>1,080.96</b>	<b>748.39</b>
Current liabilities			
Financial Liabilities	196.49	213.55	153.64
Other liabilities	613.74	481.63	422.51
<b>Total current liabilities</b>	<b>810.23</b>	<b>695.18</b>	<b>576.15</b>
Non current liabilities			
Financial Liabilities	306.62	252.59	167.55
Other liabilities	205.89	206.95	94.01
<b>Total Non current liabilities</b>	<b>512.51</b>	<b>459.54</b>	<b>261.56</b>
<b>Net assets</b>	<b>368.84</b>	<b>337.81</b>	<b>267.37</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

### Summarised statement of profit and loss

	GTPH Hathway Limited (f.k.a. GTPH Hathway Pvt Ltd)	
	March 31, 2017 #	March 31, 2016
Revenue	653.12	736.37
Other Income	4.54	2.39
Depreciation & amortisation	101.40	107.28
Interest expense	44.57	44.46
Income Tax expense	9.30	4.44
<b>Profit or (loss) for the year</b>	<b>16.87</b>	<b>3.69</b>
<b>Other Comprehensive income or (loss) for the year</b>	<b>(0.12)</b>	<b>0.17</b>
<b>Total Comprehensive Income or (loss) for the year</b>	<b>16.75</b>	<b>3.86</b>
Dividend received	-	-

### Individually immaterial Joint ventures and Associates

#### Commitments and Contingent liabilities in respect of immaterial Joint ventures and Associates

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
<b>Capital and Other commitments</b>			
Share of capital commitment in Joint Ventures / Associates	-	-	-
<b>Bank Guarantees</b>			
Share in Joint Ventures / Associates	-	-	-
<b>Contingent liabilities</b>			
Share in Associates' contingent liabilities	0.01	0.01	0.01
Share in Joint Ventures' contingent liabilities in respect of VAT /CST, excise and service tax claims not acknowledged as debt	0.03	0.03	0.38

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
<b>Aggregate carrying amount of individually immaterial Joint ventures and Associates</b>	42.20	45.68	49.93
<b>Aggregate amounts of the group's share of:</b>			
Profit/(loss) from continuing operations	(5.55)	(12.86)	**
Post-tax profit or loss from discontinued operations	-	-	**
Other comprehensive income	0.01	*	**
<b>Total comprehensive income</b>	<b>(5.54)</b>	<b>(12.86)</b>	-

\* Amount less than ₹ 50,000

\*\* Indicates disclosures that are not required

Particulars	March 31, 2017	March 31, 2016
Share of profits/ (losses) from Joint Venture	2.76	(10.46)
Share of profits / (losses) from Subsidiary's Joint Ventures	0.13	(0.55)
Share of profits/ (losses) from Associate	-	-
<b>Total share of profits / (losses) from Joint Ventures and Associates</b>	<b>2.89</b>	<b>(11.01)</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Reconciliation of Net Assets considered for Consolidated financial statement to Group's share in Net Assets as per Joint ventures' financial statements

	Joint ventures		
	March 31, 2017 #	March 31, 2016	April 1, 2015
<b>Group's share in Net Assets of Joint ventures as per Entity's Financials</b>	<b>204.18</b>	<b>188.79</b>	<b>167.25</b>
<b>Add/ (Less) : Consolidation adjustment</b>			
(i) Goodwill on consolidation	110.99	114.74	117.07
(ii) Fair value of Investments	410.03	408.02	410.03
(iii) Dividends Distributed	(0.24)	-	-
(iv) Others	(6.34)	2.17	(9.74)
<b>Net Asset as per Consolidated Financials</b>	<b>718.62</b>	<b>713.72</b>	<b>684.61</b>

# Refer note 4.20

Change in Group's ownership interest in subsidiary

Name of the company	Hathway Krishna Cable Pvt Ltd	Hathway Kokan Crystal Network Pvt Ltd	Hathway Software Developers Pvt Ltd	UTN Cable Communications Pvt Ltd.
Original Stake	97.74%	90.00%	84.04%	96.27%
Carrying amount	0.27	0.18	2.80	0.44
Date of acquisition of further stake	April 14, 2015	January 6, 2016	November 21, 2016	August 17, 2016
Consideration	0.14	1.03	0.11	0.02
Additional acquisition				
FY 2015-16	2.26%	6.36%	0.00%	0.00%
FY 2016-17	0.00%	0.00%	15.96%	3.73%
Carrying value	0.09	0.14	(0.37)	(0.32)
<b>(Capital reserve) / Goodwill</b>	<b>0.05</b>	<b>0.89</b>	<b>0.47</b>	<b>0.34</b>

## 4.13 NOTE ON CONSOLIDATION OF CERTAIN SUBSIDIARIES/ JOINT VENTURES:-

### A) Reasons not consolidating certain subsidiaries / joint ventures:-

#### M/s. Hathway Space Vision

Two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. And Hathway Internet Satellite Pvt. Ltd. were majority partners in a partnership firm, namely, M/s. Hathway Space Vision (the firm). The aforesaid majority partners of the firm had initiated legal action i.e. invoked arbitration proceedings, against the minority partner viz. Space Vision Cabletel Pvt. Ltd. with reference to some management and operational issues and had made monetary claims against the minority partner. The minority partner had also filed certain counter claims against the wholly owned subsidiaries. After a long drawn legal battle, the firm stands dissolved as of July 8, 2011. The Court Receiver, High Court of Bombay has been appointed as the Receiver of the assets and business of the firm and Hathway Internet Satellite Private Limited has been appointed as the Agent of the Court Receiver. The issues concerning accounts and dissolution including adjudicating upon the original claims and counter claims made before the earlier Arbitrator are referred to Arbitration before Justice Srikrishna (Retd.). The Court Receiver had taken the possession of the movable assets found at the premises of the Firm and has appointed a valuer, the report thereof is pending. In the mean time, the Court Receiver has fixed an ad hoc royalty of ₹ 0.01(March 31, 2016 : ₹ 0.01) per month that is to be paid by the agent of the Court Receiver under order dated December 2, 2011. An application by way of chamber summons 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 was disposed off. Majority Partners moved appeals being Appeal (L) No. 344 of 2017 and 403 of 2017, before the High Court of Bombay challenging the Order, which are pending. In the meantime, Majority Partners deposited a sum of ₹ 0.16 with the Court Receiver as per the Order of the Hon'ble High Court dated February 20, 2017.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

On May 5, 2017, both the Parties filed their Consent Terms in the High Court, Bombay wherein it is agreed by and between the parties that Majority Partners agrees to remove all moveable assets lying at premises as per the inventory and Reports of the Court Receiver, High Court, Bombay dated 14.09.2011 and 16.09.2011 and CTMS and digital equipment, at its cost and charges. It is further agreed by the Parties that the Court Receiver, High Court, Bombay appointed by an Order dated July 8, 2011, shall stand discharged without passing any accounts. It is agreed that the Binary Technologies Transfers Pvt. Ltd shall bear all the costs, charges, expenses and commission of the Court Receiver, High Court, Bombay. The Court Receiver shall refund all amounts to the Binary Technologies Transfers Pvt. Ltd after deducting its cost and charges. The Minority Partners confirms that they do not have any claim in respect of the amount deposited with the Court Receiver. This settlement is without prejudice to all the rights and contentions of parties in the Appeal pending before the Hon'ble Court.

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, 2016 : ₹ 0.01, April 1, 2015 : ₹ 0.01) and ₹ 0.01 (March 31, 2016 : ₹ 0.01, April 1, 2015 : ₹ 0.01) and Loans and advance of ₹ 1.67 (March 31, 2016 : ₹ 1.59, April 1, 2015 : ₹ 1.59), ₹ 1.67 (March 31, 2016 : ₹ 1.59, April 1, 2015 : ₹ 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.

### B) Reasons for consolidation based on Management Accounts :

- i) The Company holds 51% in two of its joint ventures namely Hathway Sai Star Cable & Datacom Pvt Ltd. and Hathway Dattatray Cable Network Private Limited. There are certain operational disagreements with minority partners of these entities. The financial statements of these entities for past three years i.e. 2014-15, 2015-16 and 2016-17 have not been prepared and hence not audited. The Opening Consolidated Balance sheet as on April 1, 2015, Consolidated Financial Statement for the financial year 2015-16 and 2016-17 of the Group have been prepared based on draft accounts prepared and certified by the holding company.
- ii) 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 Audited financials for the purposes of consolidation, the Opening Consolidated Balance sheet as on April 1, 2015, Consolidated Financial Statement for the financial year 2015-16 and 2016-17 are prepared by considering the Management Accounts of this joint venture.
- iii) The Company has a holding of 51% in some of its step down joint ventures namely Hathway CCN Multinet Pvt. Ltd., Hathway CCN Entertainment (India) Pvt. Ltd., Hathway CBN Multinet Pvt. Ltd. and has 70% holding in step down subsidiary namely Hathway CCN Multi Entertainment Pvt. Ltd. In the absence of availability of the Audited financials for the purposes of consolidation, the Opening Consolidated Balance sheet as on April 1, 2015, Consolidated Financial Statement for the financial year 2015-16 and 2016-17 are prepared by considering the Management Accounts of these joint ventures.

### 4.14 EXCEPTIONAL ITEMS

Pursuant to circular dated December 17, 2012 issued by the Delhi Entertainment Department, the MSOs were made responsible for collection and payment of Entertainment Tax for secondary points w.e.f. April 1, 2013. The Company challenged the constitutional vires of the said circular and filed writ petition in the matter before the High Court of Delhi. The High Court pronounced a favourable judgment stating that the liability to collect and deposit the Entertainment Tax for secondary points rests wholly and solely upon the LCOs, before and after March 31, 2013, as they are the Proprietor of their individual cable TV network, and not the MSOs. Accordingly, the Company has reversed provision of ₹ 9.70 made on account of Entertainment tax.

### 4.15 GOODWILL ON CONSOLIDATION COMPRISES OF :

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Goodwill on Consolidation	86.26	80.07	68.64
Less :Capital Reserve on Consolidation	(1.87)	(1.34)	(0.01)
Net Goodwill on Consolidation	84.39	78.73	68.63

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 4.16 EMPLOYEE STOCK OPTION PLAN

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

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

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

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

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Total accounting value of Options Outstanding (A)	-	(0.01)	(0.70)
Deferred Employee Compensation Expense	-	-	0.08
Less: Amortized	-	-	0.08
Net Deferred Employee Compensation Expense (B)	-	-	-
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	-	(0.01)	(0.70)

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

Sr. No.	Particulars	March 31, 2017		March 31, 2016	
		No. of Share options	Weighted Average Exercise Price in ₹	No. of Share Options	Weighted Average Exercise Price in ₹
A	a Outstanding at the beginning of the year	5,000	22.04	142,000	26.23
	b Granted during the year	Nil	Nil	Nil	Nil
	c Forfeited/ Cancelled during the year	Nil	Nil	Nil	Nil
	d Exercised during the year	Nil	Nil	Nil	Nil
	e Expired during the year option I	5,000	22.04	35,000	22.04
	f Expired during the year option II	Nil	Nil	102,000	31.46
B	Outstanding at the end of the year	Nil	Nil	5,000	22.04
C	Exercisable at the end of the year	Nil	Nil	5,000	22.04
D	Method of Settlement	Equity	Equity	Equity	Equity
E	Weighted average remaining contractual life (in months)		NA		NA
F	Weighted average Fair Value of Option granted during the year		Nil		Nil

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Sr. No.	Grant Date	Expiry Date	Exercise Price	Share Options Outstanding as on		
				March 31, 2017	March 31, 2016	April 01, 2015
1	November 15, 2007	November 14, 2015	11.02	-	-	35,000
2	November 15, 2007	November 14, 2015	15.73	-	-	4,000
3	February 5, 2008	February 4, 2016	15.73	-	-	40,000
4	June 15, 2008	June 14, 2016	15.73	-	-	48,000
5	November 15, 2008	November 14, 2016	15.73	-	-	10,000
6	November 15, 2008	November 14, 2016	11.02	-	5,000	5,000
	<b>Total</b>			-	<b>5,000</b>	<b>142,000</b>

- 4.17** The earlier discussion of demerger of the ISP Business Undertaking of the Company to the wholly owned subsidiary viz Hathway Broadband Pvt Ltd as of April 1, 2015 (the Appointed Date), which was pending before the High Court of Bombay, was withdrawn during the year after taking requisite approval from the shareholders.
- 4.18** The Board of Directors of 5 wholly owned subsidiaries of the Company viz. Hathway New Concept Cable and Datacom Private Limited, Hathway Krishna Cable Network Private Limited, UTN Cable Communications Private Limited, Hathway Software Developers Private Limited and Hathway Mysore Cable Network Private Limited have resolved, subject to necessary approvals, to demerge their cable television business to Hathway Digital Private Limited with effect from closing hours of March 31, 2017.
- 4.19** Pursuant to introduction of Digital Addressable System (DAS), in terms of TRAI Regulations the MSOs are required to inter alia enter into inter connect agreements with local cable operators in notified cities. The Company has not been able to complete the above process successfully in networks where there are cases of resistance from local cables operators. Pending execution of documents, 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 provisioning & confirmed it's adequacy.
- 4.20** In respect of one of the entities GTPL Hathway Limited, accounted as a Joint Venture (as per Ind AS 28) of the Company having many step-down entities, it was not practicable to draw up its consolidated financial statement up to March 31, 2017 within stipulated period in which the Company is required to publish its audited consolidated financial results. Accordingly, the management has considered audited consolidated financial statements of that Joint Venture for nine month period ended December 31, 2016. The management of the said Joint Venture has confirmed that there are no significant transactions and other events that occurred between January 1, 2017 and March 31, 2017 that require adjustments.
- 4.21** The Company has it's presence in various cities, which form part of phase III of DAS rollout in terms of MIB notification. Preparatory to DAS rollout dates, the Company had established required infrastructure. Since the management is hopeful of successful DAS implementation, the expenses on establishing infrastructure is considered as capital in nature.
- 4.22** There is an unclaimed share application money of ₹ 29,375 (Amount in ₹) required to be transferred to Investor Education and Protection Fund (IEPF). The Company is in process of transferring such amount to IEPF, in accordance with the provisions of section 125 of the Companies Act, 2013 and relevant rules thereunder.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 4.23 FIRST TIME IND AS ADOPTION RECONCILIATION

Effect of Ind AS adoption on the balance sheet as at March 31, 2016 and April 1, 2015

Particulars	Notes	March 31, 2016 (End of last period presented under previous GAAP)			April 1, 2015 (Date of transition)		
		Previous GAAP*	Adjustments	As per Ind AS balance sheet	Previous GAAP*	Adjustments	As per Ind AS balance sheet
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, Plant and Equipment	1 & 14	1,376.23	-	1,376.23	1,176.12	-	1,176.12
Capital work in progress		277.86	-	277.86	156.67	-	156.67
Goodwill		86.09	1.61	87.70	73.55	-	73.55
Other Intangible assets		92.85	-	92.85	116.27	-	116.27
Investment in Joint venture and Associates	12	392.64	321.08	713.72	339.29	345.32	684.61
Financial assets							
Investments	2 & 13	4.41	-	4.41	4.41	-	4.41
Trade receivables	4	1.35	-	1.35	3.57	-	3.57
Loans	10	23.93	0.56	24.49	5.11	-	5.11
Other financial assets	5,9 & 14	60.91	(2.65)	58.26	100.84	(2.50)	98.34
Deferred tax assets (Net)	11 & 14	2.55	-	2.55	1.12	-	1.12
Other Non-current assets		141.21	0.22	141.43	88.95	(0.71)	88.24
<b>Total Non-current assets</b>		<b>2,460.03</b>	<b>320.82</b>	<b>2,780.85</b>	<b>2,065.90</b>	<b>342.11</b>	<b>2,408.01</b>
<b>Current assets</b>							
Inventories		18.26	-	18.26	6.06	-	6.06
Financial Assets		-	-	-			
Investments	3	-	-	-	89.11	0.19	89.30
Trade receivables	4 & 14	378.54	(92.68)	285.86	307.27	(77.00)	230.27
Cash and cash equivalents	14	41.59	-	41.59	33.11	-	33.11
Bank balances other than Cash and cash equivalents		0.01	-	0.01	0.01	-	0.01
Loans		17.90	-	17.90	11.64	-	11.64
Other financial assets	5,6,9 & 14	8.75	-	8.75	4.34	-	4.34
Current tax assets (Net)	14	28.90	-	28.90	31.85	-	31.85
Other current assets	14	172.18	-	172.18	106.40	-	106.40
<b>Total Current Assets</b>		<b>666.13</b>	<b>(92.68)</b>	<b>573.45</b>	<b>589.79</b>	<b>(76.81)</b>	<b>512.98</b>
Non-current assets classified as held for sale		0.47	-	0.47	0.48	-	0.48
<b>TOTAL ASSETS</b>		<b>3,126.63</b>	<b>228.14</b>	<b>3,354.77</b>	<b>2,656.17</b>	<b>265.30</b>	<b>2,921.47</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
Equity Share Capital		166.10	-	166.10	166.10	-	166.10
Other Equity		880.80	41.92	922.72	1,044.32	102.57	1,146.89
<b>Equity attributable to owners of the Company</b>		<b>1,046.90</b>	<b>41.92</b>	<b>1,088.82</b>	<b>1,210.42</b>	<b>102.57</b>	<b>1,312.99</b>
Non - controlling interests		*	1.20	1.20	0.49	-	0.49
<b>Total equity</b>		<b>1,046.90</b>	<b>43.12</b>	<b>1,090.01</b>	<b>1,210.91</b>	<b>102.57</b>	<b>1,313.48</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Particulars	Notes	March 31, 2016 (End of last period presented under previous GAAP)			April 1, 2015 (Date of transition)		
		Previous GAAP*	Adjustments	As per Ind AS balance sheet	Previous GAAP*	Adjustments	As per Ind AS balance sheet
<b>Liabilities</b>							
<b>Non-Current Liabilities</b>							
Financial Liabilities							
Borrowings	8 & 14	975.14	(1.76)	973.38	672.38	(2.70)	669.68
Trade payables		0.03	-	0.03	-	-	-
Other financial liabilities	9 & 14	18.44	1.37	19.81	15.02	(0.05)	14.97
Provisions		23.49	(3.46)	20.03	5.25	(0.46)	4.79
Deferred tax liabilities (Net)	11	1.62	-	1.62	0.46	-	0.46
Other Non-current liabilities		3.55	-	3.55	0.63	-	0.63
<b>Total Non-Current Liabilities</b>		<b>1,022.27</b>	<b>(3.85)</b>	<b>1,018.42</b>	<b>693.74</b>	<b>(3.21)</b>	<b>690.53</b>
<b>Current Liabilities</b>							
Financial Liabilities							
Borrowings		199.28	-	199.28	100.02	-	100.02
Trade payables	14	177.18	0.50	177.68	143.10	1.28	144.38
Other financial liabilities	14	533.63	1.07	534.70	418.45	1.18	419.63
Other current liabilities	14 & 15	143.88	187.28	331.16	83.07	163.46	246.53
Provisions	14	3.45	0.02	3.47	6.82	0.02	6.84
Current Tax Liabilities (Net)		0.04	-	0.04	0.06	-	0.06
<b>Total Current Liabilities</b>		<b>1057.46</b>	<b>188.87</b>	<b>1246.33</b>	<b>751.52</b>	<b>165.94</b>	<b>917.46</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,126.64</b>	<b>228.14</b>	<b>3,354.77</b>	<b>2,656.17</b>	<b>265.30</b>	<b>2,921.47</b>

\* Amount less than ₹ 50,000/-

Reconciliation of Net profit / (loss) as reported under previous GAAP vis-à-vis under Ind AS is as below:

Particulars	Notes	Previous GAAP*	Adjustments	As per Statement of profit & loss for year ended March 31, 2016 under Ind AS
<b>INCOME</b>				
Revenue From Operations	15	1,160.69	(23.82)	1,136.87
Other Income	5, 6, 9, 10	14.73	3.44	18.17
<b>Total Income</b>		<b>1,175.42</b>	<b>(20.38)</b>	<b>1,155.04</b>
<b>EXPENSES</b>				
Pay channel cost		433.56	-	433.56
Other operational expenses	5	204.99	(1.34)	203.65
Employee benefits expense	7,16	89.03	(2.83)	86.20
Finance costs	8	88.57	1.27	89.84
Depreciation and amortization expense		257.38	1.48	258.86
Other expenses	4	275.61	16.91	292.52
<b>Total Expenses</b>		<b>1,349.14</b>	<b>15.49</b>	<b>1,364.63</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Particulars	Notes	Previous GAAP*	Adjustments	As per Statement of profit & loss for year ended March 31, 2016 under Ind AS
Profit / (loss) before share of profit/(loss) of an associates / a joint ventures and exceptional items		(173.72)	(35.87)	(209.59)
Amount transferred on change in stake in subsidiaries / Joint Ventures		18.40	(18.40)	-
Share of profit / (loss) of an associate and joint ventures	12, 13 & 14	19.36	(30.37)	(11.01)
<b>Profit / (loss) before exceptional items and tax</b>		<b>(135.96)</b>	<b>(84.64)</b>	<b>(220.60)</b>
Exceptional items		27.46	(10.09)	17.37
<b>Profit / (loss) before tax</b>		<b>(163.42)</b>	<b>(74.55)</b>	<b>(237.97)</b>
Tax expenses :				
Current tax		0.07	-	0.07
Deferred tax		(0.36)	-	(0.36)
		<b>(0.29)</b>	<b>-</b>	<b>(0.29)</b>
<b>Profit / (loss) for the year</b>		<b>(163.13)</b>	<b>(74.55)</b>	<b>(237.68)</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Reconciliation of Other equity as reported under previous GAAP vis-à-vis Ind AS is as below :

Particulars	Notes	March 31, 2016 (End of last period presented under previous GAAP)	April 1, 2015 (Date of transition)
<b>Other Equity as reported under previous GAAP</b>		<b>880.80</b>	<b>1,044.32</b>
<b>Increase / (Decrease):</b>			
Effect of Activation Income being deferred and amortised over customer relationship period	15	(187.28)	(163.46)
Effect of measuring financial instruments at fair value	2,3,5,6,8,9 & 10	391.13	377.65
Effect of expected credit loss	4	(92.68)	(77.00)
Joint Venture and LLP related Ind AS adjustment	4,5 & 15	(71.45)	(33.12)
Other Ind AS Adjustments		2.50	(1.26)
Re-measurements of defined benefit plans	7 & 16	2.45	(0.24)
Other Comprehensive Income	7 & 16	(2.75)	-
<b>Other Equity as reported under Ind AS</b>		<b>922.72</b>	<b>1,146.89</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Footnotes for Ind AS Adjustments

#### Note 1: Property, Plant and Equipment

The Group has availed the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment and Intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### Note 2: Investment in equity instruments of other companies - Non current

Under previous GAAP, non current investment in equity instruments of other companies were measured at cost less provision for diminution (other than temporary). Under Ind AS, the Group has recognised such investments at FVTOCI through irrevocable option. On the date of transition to Ind AS, the difference between the fair value of Non-Current Investments as per Ind AS and their corresponding carrying amount as per financial statements prepared under previous GAAP, has resulted in decrease in the carrying amount of these investments which has been recognised directly in opening retained earnings.

#### Note 3: Current investments - Investments in Mutual funds

Under previous GAAP, current investment were measured at lower of cost or fair value. Under Ind AS, these investments have been classified as FVTPL on the date of transition.

#### Note 4: Loss allowance on Trade receivables

Under the previous GAAP, the Group has created provision for impairment of receivables consisting specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss Model (ECL) which has led to an increase in the amount of provision as on the date of transition.

#### Note 5: Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly the Group has fair valued these security deposits under Ind AS and the difference between the fair value and the transaction value of the security deposit has been recognised as prepaid rent.

#### Note 6: Financial Corporate guarantee

The Group has issued corporate guarantee on behalf of its joint ventures for the borrowings taken by them. Under previous GAAP, financial guarantee contracts were not accounted for. The Group has recognised finance guarantee obligation at fair value with corresponding recognition in investments. Interest income is recognised with a corresponding reduction from Finance Guarantee Obligation.

#### Note 7: Defined benefit plans

Both under the previous GAAP and Ind AS, the Group recognised costs related to its post employment defined benefit plans on an actuarial basis. Under previous GAAP the entire cost, including actuarial gains and losses are charged to the Statement of Profit and Loss. Under Ind AS, remeasurement (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income and the corresponding tax effect is also given in Other Comprehensive Income.

#### Note 8: Borrowings

Under previous GAAP, in case of fixed interest rate borrowings, transaction cost incurred were charged to statement of profit and loss on straight line basis over the tenure of the borrowings and the borrowings are measured as per their schedule of terms made. As per Ind AS 109, the transaction costs incurred towards origination of borrowings are deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as part of the interest expense by applying effective interest rate method (i.e amortised cost method). As per Ind AS 109, for variable interest rate borrowings, the transaction costs incurred towards origination of borrowings are deducted from the carrying amount of borrowings on initial recognition. Accordingly the unamortised balance of transaction cost has been deducted from the carrying amount of the borrowings as on the date of transition.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## Note 9: Derivative Instruments - Forward contracts

Under previous GAAP, there is concept of deferred premium/discount which is recognised based on difference between spot rate and forward rate and amortised over the tenure of the forward contract. Under Ind AS, forward contract is required to accounted at fair value. Accordingly, the Group has reversed deferred premium outstanding in the books of accounts.

## Note 10: Loan given to Joint Ventures

Under previous GAAP, interest free loans given to joint ventures are accounted at their transaction value. Under Ind AS, the Company has discounted the interest free loans given to joint ventures with corresponding increase in the investment.

## Note 11: Deferred tax

The previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Various transitional adjustments has resulted in recognition of temporary differences.

## Note 12: Subsidiaries consolidated under previous GAAP classified as Joint venture

Based on control assessment carried out under Ind AS 110 Consolidated Financial Statements, certain entities are considered as to be joint ventures of the Group under Ind AS which under previous GAAP were considered as subsidiaries, because the Group does not have the power and exposure to variable returns and concluded that it has a joint control over such entities.

## Note 13: Subsidiary consolidated under previous GAAP classified as Ind AS 109 investment

The Group has assessed that as per Ind AS 111 it does not have joint control one of the entity classified as subsidiary under previous GAAP. The Group concluded that it as investment under Ind AS 109 and hence accounted for the said entity as Investment designated as Fair value through other comprehensive income.

## Note 14: Change in method for consolidation of Joint Venture

The Group has joint control over certain entities. Under previous GAAP, Group has proportionately consolidated its interest in such entities in the consolidated financial statements. On transition to Ind AS, the Group has accounted for interest in such entities using the equity method as against proportionate consolidation.

## Note 15: Deferment of activation income

Under previous GAAP, activation income is recognized upfront as revenue. Under Ind AS, supply of services involving a non-refundable fee along with subsequent periodic payments for services in future are construed as linked transactions. All linked transactions where individual transactions have no commercial meaning on their own and occurrence of one is dependent on occurrence of another are to be evaluated on combined basis. Activation fee, which in substance is an advance payment for future services or the ongoing services being provided are essential to the subscribers receiving the expected benefit of the upfront payment of activation fee. Accordingly, activation fee is earned as services are provided over the term of the arrangement and need to be deferred over the expected customer relationship period (i.e. expected life of the customer).

## Note 16: Other Comprehensive income

Under previous GAAP, the Group has not presented Other Comprehensive Income separately.

## Note 17: Inclusion of Bank Overdraft for the purpose of Cashflow

Under Ind AS, bank overdrafts which are repayable on demand and form an integral part of the Group's cash management system and are included in cash and cash equivalents for the purpose of presentaion of Statement of Cashflows. Whereas under previous GAAP, there was no similar guidance and hence, bank overdrafts were considered similar to other borrowings and the movements therein were reflected in cashflows from financing activities.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

## 4.24 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT,2013, OF ENTITIES CONSOLIDATED AS SUBSIDIARIES,JOINT VENTURES AND ASSOCIATES

March 31, 2017 :

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>	40.17%	359.99	79.35%	-152.75	119.01%	0.31	79.29%	-152.43
<b>Subsidiaries (Group's share)</b>								
<b>Indian</b>								
Hathway Bhawani Cabletel and Datacom Ltd*	-0.45%	-4.01	0.47%	-0.90	20.97%	0.06	0.44%	-0.84
Hathway Digital Private Limited (f.k.a. Hathway Datacom Central Ltd)	-7.73%	-69.27	14.84%	(28.57)	-14.30%	(0.04)	14.88%	-28.60
Hathway Broadband Pvt Ltd	0.32%	2.85	-0.09%	0.17	0.00%	-	-0.09%	0.17
Hathway Krishna Cable Pvt Ltd	-1.79%	-16.01	1.17%	(2.25)	0.00%	-	1.17%	-2.25
Bee Network and Communication Pvt Ltd	-0.15%	-1.34	0.00%	-	0.00%	-	0.00%	-
Hathway Nashik Cable Network Pvt Ltd	-1.09%	-9.77	0.00%	(0.01)	0.00%	-	0.00%	-0.01
Hathway Kokan Crystal Cable Network Pvt Ltd	0.08%	0.75	0.52%	(1.00)	-5.32%	(0.01)	0.53%	-1.01
Hathway Cnet Pvt Ltd	-0.05%	-0.43	0.00%	-	0.00%	-	0.00%	-
Channels India Network Pvt Ltd	-0.15%	-1.32	0.00%	-	0.00%	-	0.00%	-
Hathway Enjoy Cable Network Pvt Ltd	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
Hathway JMD Farukhabad Cable Network Pvt Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Chennai Cable Vision Network Pvt Ltd	-0.22%	-2.00	0.00%	-	0.00%	-	0.00%	-
Hathway Media Vision Pvt Ltd	-0.18%	-1.63	0.33%	(0.64)	0.00%	-	0.33%	-0.64
Elite Cable Network Pvt Ltd	0.00%	-0.02	0.00%	-	0.00%	-	0.00%	-
Hathway United Cables Pvt Ltd	-0.02%	-0.16	0.00%	-	0.00%	-	0.00%	-
UTN Cable Communication Pvt Ltd	-2.24%	-20.04	1.28%	(2.46)	0.00%	-	1.28%	-2.46
Hathway Space Vision Cabletel Pvt Ltd	-0.12%	-1.04	0.00%	-	0.00%	-	0.00%	-
Hathway Universal Cabletel and Datacom Pvt Ltd	0.00%	0.01	-0.01%	0.02	0.00%	-	-0.01%	0.02
Hathway Gwalior Cable and Datacom Pvt Ltd	-0.07%	-0.67	0.00%	-	0.00%	-	0.00%	-
Ideal Cables Pvt Ltd	-0.09%	-0.82	0.00%	-	0.00%	-	0.00%	-
Binary Technology Transfers Pvt Ltd	-0.19%	-1.68	0.04%	(0.08)	0.00%	-	0.04%	-0.08
Hathway Internet Satellite Pvt Ltd	-0.19%	-1.69	0.04%	(0.08)	0.00%	-	0.04%	-0.08
ITV Interactive Media Pvt Ltd	-0.05%	-0.42	0.00%	-	0.00%	-	0.00%	-
Liberty Media Vision Pvt Ltd	-0.25%	-2.27	0.01%	(0.02)	0.00%	-	0.01%	-0.02
Vision India Network Pvt Ltd	-0.23%	-2.06	0.00%	-	0.00%	-	0.00%	-
Win Cable & Datacom Pvt.Ltd.	-2.20%	-19.70	0.00%	-	0.00%	-	0.00%	-
Hathway Mantra Cable and Datacom Pvt Ltd	-0.55%	-4.96	0.32%	(0.62)	0.00%	-	0.32%	-0.62
Hathway New Concept Cable and Datacom Pvt Ltd	0.31%	2.77	0.71%	(1.36)	0.00%	-	0.71%	-1.36
Hathway Software Developers Pvt Ltd	-1.55%	-13.92	1.12%	(2.15)	0.00%	-	1.12%	-2.15
Hathway Mysore Cable Network Pvt Ltd	-1.61%	-14.41	1.58%	(3.04)	0.00%	-	1.58%	-3.04
<b>Non-controlling interests in all subsidiaries</b>								
<b>Indian</b>	0.10%	0.87	-0.23%	0.44	0.00%	-	-0.23%	0.44
<b>Joint ventures (Investment as per equity method)</b>								
Hathway Universal Cabletel and Datacom Pvt Ltd	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) *	75.47%	676.42	-4.38%	8.44	-22.66%	-0.06	-4.36%	8.38

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Hathway Cable MCN Nanded Pvt Ltd	0.08%	0.69	-0.06%	0.11	0.00%	-	-0.06%	0.11
Hathway ICE Television Pvt Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Hathway Latur MCN Cable and Datacom Pvt Ltd	0.03%	0.27	-0.05%	0.09	0.00%	-	-0.05%	0.09
Hathway Sai Star Cable and Datacom Pvt Ltd	0.53%	4.75	0.94%	-1.81	0.00%	-	0.94%	-1.81
Hathway Sonali OM Crystal Cable Pvt Ltd	0.07%	0.64	0.22%	-0.42	0.00%	-	0.22%	-0.42
Net 9 Online Hathway Pvt Ltd	0.31%	2.74	-0.13%	0.25	4.52%	0.01	-0.14%	0.26
Hathway Palampur Cable Network Pvt Ltd	0.05%	0.46	0.06%	-0.11	0.00%	-	0.06%	-0.11
Hathway Prime Cable and Datacom Pvt Ltd	0.02%	0.20	0.01%	-0.02	0.00%	-	0.01%	-0.02
Hathway MCN Pvt Ltd	0.63%	5.66	0.10%	-0.20	-2.21%	-0.01	0.10%	-0.20
Hathway SS Cable & Datacom LLP	0.06%	0.57	0.00%	-	0.00%	-	0.00%	-
Hathway Sukhamrit cable & Datacom Pvt Ltd	1.20%	10.74	-1.65%	3.17	0.00%	-	-1.65%	3.17
Hathway Bhawani NDS Network Pvt Ltd	0.02%	0.19	0.00%	-	0.00%	-	0.00%	-
Hathway CCN Multinet Pvt Ltd	0.72%	6.41	0.01%	-0.02	0.00%	-	0.01%	-0.02
Hathway CCN Entertainment (India) Pvt Ltd	0.55%	4.95	-0.08%	0.15	0.00%	-	-0.08%	0.15
Hathway CBN Multinet Pvt Ltd	0.09%	0.84	0.20%	-0.38	0.00%	-	0.20%	-0.38
Hathway CCN Multi Entertainment Pvt Ltd	0.34%	3.08	-0.13%	0.26	0.00%	-	-0.13%	0.26
Hathway Digital Saharanpur Cable and Datacom Pvt Ltd	0.00%	-	0.49%	-0.94	0.00%	-	0.49%	-0.94
Hathway Channel 5 Cable and Datacom Pvt Ltd	0.00%	-	0.00%	-0.01	0.00%	-	0.00%	-0.01
Hathway Mysore Cable Network Pvt Ltd	0.00%	-	1.32%	-2.55	0.00%	-	1.33%	-2.55
Hathway Dattatray Cable Network Pvt Ltd	0.00%	-	1.69%	-3.24	0.00%	-	1.69%	-3.24
<b>Total</b>	<b>100.00%</b>	<b>896.23</b>	<b>100.00%</b>	<b>(192.53)</b>	<b>100.00%</b>	<b>0.26</b>	<b>100.00%</b>	<b>(192.24)</b>

\* Based on consolidated financial statement of the respective entities

## March 31, 2016 :

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
<b>Parent</b>	48.43%	527.92	71.39%	-168.97	97.25%	-2.75	71.69%	-171.72
<b>Subsidiaries (group's share)</b>								
<b>Indian</b>								
Hathway Bhawani Cabletel and Datacom Ltd*	-0.30%	-3.28	0.57%	-1.36	2.81%	-0.08	0.60%	-1.44
Hathway Digital Private Limited (f.k.a. Hathway Datacom Central Ltd)	-5.85%	-63.76	15.66%	-37.06	2.65%	-0.07	15.51%	-37.14
Hathway Broadband Pvt Ltd	0.25%	2.68	-0.07%	0.17	0.00%	-	-0.07%	0.17
Hathway Krishna Cable Pvt Ltd	-1.27%	-13.86	2.94%	-6.96	0.00%	-	2.90%	-6.96
Bee Network and Communication Pvt Ltd	-0.12%	-1.34	0.00%	-	0.00%	-	0.00%	-
Hathway Nashik Cable Network Pvt Ltd	-0.90%	-9.76	0.00%	-	0.00%	-	0.00%	-
Hathway Kokan Crystal Cable Network Pvt Ltd	0.16%	1.76	0.42%	-0.98	0.06%	**	0.41%	-0.99
Hathway Cnet Pvt Ltd	-0.04%	-0.43	0.00%	-	0.00%	-	0.00%	-
Channels India Network Pvt Ltd	-0.12%	-1.32	0.00%	-	0.00%	-	0.00%	-
Hathway Enjoy Cable Network Pvt Ltd	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
Hathway JMD Farukhabad Cable Network Pvt Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Chennai Cable Vision Network Pvt Ltd	-0.18%	-2.00	0.01%	-0.03	0.00%	-	0.01%	-0.03
Hathway Media Vision Pvt Ltd	-0.15%	-1.61	0.00%	-	0.00%	-	0.00%	-
Elite Cable Network Pvt Ltd	0.00%	-0.02	0.00%	-	0.00%	-	0.00%	-
Hathway United Cables Pvt Ltd	-0.01%	-0.15	-0.01%	0.01	0.00%	-	-0.01%	0.01
UTN Cable Communication Pvt Ltd	-1.59%	-17.33	1.35%	-3.20	0.00%	-	1.34%	-3.20
Hathway Space Vision Cabletel Pvt Ltd	-0.10%	-1.04	0.00%	-	0.00%	-	0.00%	-
Hathway Universal Cabletel and Datacom Pvt Ltd	0.00%	-	0.00%	-0.01	0.00%	-	0.00%	-0.01
Hathway Gwalior Cable and Datacom Pvt Ltd	-0.06%	-0.67	0.02%	-0.04	0.00%	-	0.02%	-0.04
Ideal Cables Pvt Ltd	-0.07%	-0.81	0.00%	-	0.00%	-	0.00%	-
Binary Technology Transfers Pvt Ltd	-0.15%	-1.61	0.00%	-	0.00%	-	0.00%	-
Hathway Internet Satellite Pvt Ltd	-0.15%	-1.61	0.00%	-	0.00%	-	0.00%	-
ITV Interactive Media Pvt Ltd	-0.04%	-0.42	0.00%	-	0.00%	-	0.00%	-
Liberty Media Vision Pvt Ltd	-0.21%	-2.24	0.00%	-0.01	0.00%	-	0.00%	-0.01
Vision India Network Pvt Ltd	-0.19%	-2.06	0.00%	-	0.00%	-	0.00%	-
Win Cable & Datacom Pvt.Ltd.	-1.81%	-19.70	0.00%	-	0.00%	-	0.00%	-
Hathway Mantra Cable and Datacom Pvt Ltd	-0.40%	-4.34	1.50%	-3.54	0.00%	-	1.48%	-3.54
Hathway New Concept Cable and Datacom Pvt Ltd	0.32%	3.51	0.26%	-0.61	0.00%	-	0.26%	-0.61
Hathway Software Developers Pvt Ltd	-1.05%	-11.40	1.74%	-4.13	0.00%	-	1.72%	-4.13
<b>Non-controlling interests in all subsidiaries</b>								
<b>Indian</b>	0.11%	1.20	-0.43%	1.02	0.00%	-	-0.42%	1.02
<b>Joint ventures (Investment as per equity method)</b>								
GTPL Hathway Limited (f.k.a. GTPL Hathway Pvt Ltd) *	61.29%	668.04	-0.78%	1.85	-2.92%	0.08	-0.81%	1.93
Hathway Cable MCN Nanded Pvt Ltd	0.05%	0.58	-0.02%	0.04	0.00%	-	-0.02%	0.04
Hathway ICE Television Pvt Ltd	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Hathway Latur MCN Cable and Datacom Pvt Ltd	0.02%	0.17	-0.05%	0.13	0.00%	-	-0.05%	0.13
Hathway Mysore Cable Network Pvt Ltd	0.27%	2.95	2.10%	-4.97	0.00%	-	2.08%	-4.97
Hathway Sai Star Cable and Datacom Pvt Ltd	0.60%	6.56	1.63%	-3.85	0.00%	-	1.61%	-3.85
Hathway Sonali OM Crystal Cable Pvt Ltd	0.10%	1.06	1.78%	-4.22	0.00%	-	1.76%	-4.22
Net 9 Online Hathway Pvt Ltd	0.23%	2.49	-0.05%	0.12	0.15%	**	-0.05%	0.12
Hathway Palampur Cable Network Pvt Ltd	0.05%	0.57	0.02%	-0.04	0.00%	-	0.01%	-0.04
Hathway Prime Cable and Datacom Pvt Ltd	0.02%	0.22	-0.09%	0.22	0.00%	-	-0.09%	0.22
Hathway MCN Pvt Ltd	0.54%	5.86	0.26%	-0.61	0.00%	-	0.25%	-0.61
Hathway SS Cable & Datacom LLP	0.05%	0.57	0.15%	-0.36	0.00%	-	0.15%	-0.36
Hathway Sukhamrit cable & Datacom Pvt Ltd	0.69%	7.57	-1.19%	2.82	0.00%	-	-1.18%	2.82
Hathway Bhawani NDS Network Pvt Ltd	0.01%	0.08	0.00%	-	0.00%	-	0.00%	-
Hathway Universal VCN Cable Network - LLP	0.16%	1.73	0.11%	-0.27	0.00%	-	0.11%	-0.27
Hathway CCN Multinet Pvt Ltd	0.59%	6.43	0.03%	-0.07	0.00%	-	0.03%	-0.07
Hathway CCN Entertainment (India) Pvt Ltd	0.44%	4.79	-0.05%	0.12	0.00%	-	-0.05%	0.12
Hathway CBN Multinet Pvt Ltd	0.11%	1.22	0.18%	-0.43	0.00%	-	0.18%	-0.43
Hathway CCN Multi Entertainment Pvt Ltd	0.26%	2.82	-0.05%	0.13	0.00%	-	-0.05%	0.13
Hathway Digital Saharanpur Cable and Datacom Pvt Ltd	0.00%	-	0.15%	-0.35	0.00%	-	0.14%	-0.35

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore unless otherwise stated)

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	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
Hathway Channel 5 Cable and Datacom Pvt Ltd	0.00%	-	0.00%	-0.01	0.00%	-	0.00%	-0.01
Hathway New Concept Cable and Datacom Pvt Ltd	0.00%	-	0.00%	-0.01	0.00%	-	0.00%	-0.01
Hathway Dattatray Cable Network Pvt Ltd	0.00%	-	0.52%	-1.22	0.00%	-	0.51%	-1.22
<b>Total</b>	<b>100.00%</b>	<b>1,090.03</b>	<b>100.00%</b>	<b>(236.68)</b>	<b>100.00%</b>	<b>(2.82)</b>	<b>100.00%</b>	<b>(239.52)</b>

\* Based on consolidated financial statement of the respective entities

\*\* Amount less than ₹ 50,000

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

**(Vinayak Aggarwal)**

Director

DIN : 00007280

**(Ajay Singh)**Head Legal, Company Secretary  
and Chief Compliance Officer

FCS - 5189

Place: Mumbai

Date : May 30, 2017

**For and on behalf of the Board****(Rajan Gupta)**

DIN : 07603128

Managing Director

**(Vineet Garg)**

Chief Financial Officer

Place: Mumbai

Date : May 30, 2017





## HATHWAY CABLE AND DATACOM LIMITED

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

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

CIN: L64204MH1959PLC011421

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

### ATTENDANCE SLIP

Registered Folio No./ DP ID No. / Client ID No:	
Name and address of the Member(s):	
Joint Holder 1:	
Joint Holder 2:	
Number of Shares held:	

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

I hereby record my presence at the 57th Annual General Meeting of the Company at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400049 on Friday, 15th September, 2017 at 3.00 p.m.

\_\_\_\_\_  
Name of the member / proxy

\_\_\_\_\_  
Signature of member / proxy

Note:

1. Only Member/Proxyholder can attend the Meeting.
2. Please fill up the attendance slip and hand it over at the entrance of the meeting hall.
3. Members are requested to bring their copies of the Annual Report to the AGM.





**HATHWAY CABLE AND DATACOM LIMITED**

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

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

CIN: L64204MH1959PLC011421

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

**MGT-11**

**PROXY FORM**

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

**57th Annual General Meeting – 15th September, 2017**

Name of the Member(s) :

Registered Address :

Email :

Folio No. / Client ID :

DP ID :

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_

or failing him/her

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_

or failing him/her

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 57th Annual General Meeting of the company, to be held on Friday, 15th September, 2017 at 3.00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400049 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Voting		
		For	Against	Abstain
<b>ORDINARY BUSINESS</b>				
1	Adoption of:			
	(a) Audited Standalone Balance Sheet as at 31st March, 2017, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with Report of Directors and Auditors thereon.			
	(b) Audited Consolidated Balance Sheet as at 31st March, 2017, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with Report of Auditors thereon.			
2	To appoint a Director in place of Mr. Akshay Raheja, (DIN 00288397), liable to retire by rotation and being eligible seeks reappointment.			
3	To appoint a Director in place of Mr. Viren Raheja, (DIN 00037592), liable to retire by rotation and being eligible seeks reappointment.			
4	To appoint M/s. Nayan Parikh & Co., Chartered Accountants (Firm Registration No. 107023W) as Auditors of the Company.			
<b>SPECIAL BUSINESS</b>				
5	To regularize the appointment of Mr. Rajan Gupta (DIN: 07603128), as a Director, in the capacity of Managing Director of the Company.			
6	To appoint M/s. Ashok Agarwal & Co., Cost Accountants, (Firm Registration No. 000510) as Cost Auditors of the Company.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix revenue Stamp of ₹ 1/-
---------------------------------------

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

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