



Cable TV



Digital TV



Channels



Broadband

hathway@y

Hathway Cable & Datacom Limited

53rd
ANNUAL REPORT
2012-2013

BOARD OF DIRECTORS

Mr. Brahma Vasudevan	<i>Chairman</i>
Mr. Rajan Raheja	<i>Director</i>
Mr. Akshay Raheja	<i>Director</i>
Mr. Viren Raheja	<i>Director</i>
Mr. Jagdish Kumar G. Pillai	<i>Managing Director & CEO</i>
Mr. Vinayak Aggarwal	<i>Director</i>
Mr. Sasha Mirchandani	<i>Director</i>
Mr. Sridhar Gorthi	<i>Director</i>
Mr. Devendra Shrotri	<i>Director</i>
Mr. Biswajit Subrmanian	<i>Director</i>

PRESIDENT & COMPANY SECRETARY

Mr. Milind Karnik

REGISTERED OFFICE

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

STATUTORY AUDITORS

G. M. Kapadia & Co.
Chartered Accountants

COST AUDITORS

Dr. Ashok Kumar Agarwal

ADVOCATES & SOLICITORS

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

BANKERS

Axis Bank Limited
ICICI Bank
Yes Bank Limited
ING Vysya Bank Limited

REGISTRAR & TRANSFER AGENT

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

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NOTICE

NOTICE is hereby given that the Fifty Third Annual General Meeting of the Company will be held on Wednesday, July 24, 2013, at 3.00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Vinayak Aggarwal, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment:
3. To appoint a Director in place of Mr. Sridhar Gorthi, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Devendra Shrotri, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
5. To appoint M/s. G. M. Kapadia & Co, Chartered Accountants, (Registration No. 104767W) the retiring Auditors, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Jagdish Kumar G. Pillai, who was appointed as an Additional Director of the Company with effect from 21st December, 2012 pursuant to the provisions of Section 260 of the Companies Act, 1956 (the said Act) and in accordance with the Article 32 of the Articles of Association of the Company to hold office up to the date of the ensuing Annual General Meeting of the Company and for whose appointment, the Company has received a notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Jagdish Kumar G. Pillai, for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, whose period of office shall not be subject to retirement by rotation."

BY ORDER OF THE BOARD

MILIND KARNIK

President & Company Secretary

REGISTERED OFFICE:

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

Place: Mumbai

Date: May 29, 2013

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND, AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the meeting. Proxies submitted on behalf of the companies, etc, must be supported by appropriate resolution/authority, as applicable.
3. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
4. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
5. The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
6. The Register of the Members and the Share Transfer Books of the Company will remain closed from, Thursday, 18th July 2013 to Wednesday, 24th July 2013 (Both days inclusive).
7. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, for Special Business, setting out all material facts and the statement of particulars of Directors seeking appointment/re-appointment, as required under Clause 49 of the Listing Agreement are annexed hereto.
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.
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. 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.

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 quoting the Folio Number and Name of the Company.

BY ORDER OF THE BOARD

MILIND KARNIK

President & Company Secretary

REGISTERED OFFICE:

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

Place: Mumbai

Date: May 29, 2013

Important Communication to Shareholders

Ministry of Corporate Affairs (MCA) vide Circular bearing Nos. 17/2011 and 18/2011 dated 21st April 2011 and 29th April 2011 respectively has taken steps towards Green Initiatives by allowing companies to service the documents including Annual Report to its shareholders through electronic mode.

In support to the said initiative of the MCA, the Company also requested to the shareholders by issuing individual notices to all the shareholders to register their e-mail address with the Company's Registrar and Share Transfer Agent and in response to the said request, many shareholders have registered their e-mail addresses with the Registrar and Share Transfer Agent.

We hereby further request to all the shareholders who have so far not registered their e-mail address with the Registrar and Share Transfer Agent to register their e-mail address and support the Green Initiative movement of MCA. Shareholders can avail the said facility either by filling E-communication Registration Form available on the website of the Company or updating e-mail address with the Depository through their concerned Depository Participant.

We are sure you will also join and support Green Initiative movement of MCA.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No. 5

Mr. Jagdish Kumar G. Pillai was appointed as an Additional Director of the Company with effect from 21st December, 2012. Further, Mr. Jagdish Kumar G. Pillai was appointed by the Board of Directors as Managing Director & CEO of the Company with effect from 21st December, 2012. Subsequently the appointment of Mr. Jagdish Kumar G. Pillai was approved by the shareholders of the Company by passing resolution through postal ballot.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and in accordance with the Article 32 of the Articles of Association of the Company, Mr. Jagdish Kumar G. Pillai shall hold office up to the date of the ensuing Annual General Meeting of the Company.

The Company has received notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Jagdish Kumar G. Pillai, for the office of a Director of the Company. Mr. Jagdish Kumar G. Pillai shall continue as Managing Director also for the rest of the term of his tenure as per the terms of appointment, if appointed as director.

None of the Directors, except Mr. Jagdish Kumar G. Pillai, is interested or concerned in the aforesaid Resolution. Your Directors recommend the above resolution for your approval.

BY ORDER OF THE BOARD

MILIND KARNIK

President & Company Secretary

REGISTERED OFFICE:

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

Place: Mumbai

Date: May 29, 2013

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

Sr. No.	Name	Nature of appointment	Date of Birth	Date of Appointment on the Board	Qualification & expertise	Experience	List of other Companies in which he holds Directorships as on 31/03/2013 *	Chairman/ member of Committees of the Board of other Companies in which he is director as on 31/03/2013 **	Equity Shares held in the Company
1	Mr. Jagdish Kumar G. Pillai	Appointment	18-01-1962	21-12-2012	Commerce Graduate and Associate Member of the Institute of Chartered Accountant	He has more than 25 years of professional experience having worked in numerous leadership positions with blue chip companies like ITC Ltd, STAR TV and Reliance Industries Ltd. Mr. Jagdish Kumar is an experienced media professional having worked in various roles within STAR TV (a Newscorp venture) both in India and the headquarters in Hong Kong. During his stint with STAR TV he has worked on several aspects of the TV Broadcast business including, Content, Distribution, Marketing, Broadcast Infrastructure, Digital Platforms, Business Development and Finance.	-	-	Nil
2	Mr. Vinayak Aggarwal	Re-appointment	12-04-1969	04-06-1996	B.Com, ICWA, Diploma from IIM, Ahmedabad	Varied experience in Project Appraisal, Investments, Media & Life Insurance.	Asianet Satellite Communications Limited	-	Nil
3	Mr. Sridhar Gorthi	Re-appointment	31/07/1972	10-09-2009	B.A. L.L.B (Hons)	Mr. Sridhar Gorthi is a partner at a law firm Trilegal. Prior to Trilegal, he also worked with Arthur Andersen and Lex Inde, Mumbai. He has been involved in providing legal advisory services to various multinational and domestic corporations on joint ventures, acquisitions and mergers and private equity transactions. Mr. Gorthi holds a B.A. L.L.B (Hons) from the National Law School of India University, Bangalore.	Glenmark Pharmaceuticals Ltd Glenmark Generics Ltd	Audit Committee - Glenmark Pharmaceuticals Ltd. Shareholders/ Investor Committee - Glenmark Generics Ltd	Nil
4	Mr. Devendra Shrotri	Re-appointment	29-05-1972	10-09-2009	MBA degree from Columbia Business School, New York, a Masters in Computer Science & Engineering from University of South Carolina, Columbia and a Bachelors of Electrical Engineering from the Jabalpur Engineering College, India	Varied experience in the fields of management, finance, consulting, outsourcing and technology	-	-	Nil

Note:

*Private Companies and Foreign Companies are not included

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

DIRECTORS' REPORT

Dear Members,

We hereby present the Fifty Third Annual Report to the Members together with the Audited Statement of Accounts for the Financial Year ended March 31, 2013.

Financial Highlights

(Rs. In Lacs)

Particulars	Consolidated		Standalone	
	2012-13	2011-12	2012-13	2011-12
Operating & Other Income	1,14,820	1,02,862	66,795	52,870
Earnings before interest, depreciation, amortization & taxes	28,951	18,417	18,217	10,119
Interest	6,018	5,199	4,614	4,085
Depreciation & Amortization	16,224	14,088	11,891	10,314
Impairment of Tangible / Intangible Assets	381	340	381	340
Exceptional Items	793	1,045	935	436
Minority Interest	2,493	1,021	--	--
Prior period adjustments	(14)	431	76	111
Profit/(Loss) share of Associates	(8)	(12)	--	--
Amount transferred on change in stake in Subsidiaries/Joint Ventures	(296)	(311)	--	--
Excess/Short provision for taxation in earlier years	7	57	--	--
Provision for Taxation - Current Tax & Deferred Tax	1,783	1,477	--	--
Net Profit/(Loss)	1,570	(4,918)	320	(5,167)

Operations

During the year under review, the total income of your Company was Rs. 66,795 Lacs on a standalone basis and Rs. 1,14,820 Lacs on a consolidated basis as compared to the previous financial year's total income of Rs. 52,870 Lacs on a standalone basis and Rs. 1,02,862 Lacs on a consolidated basis. The net profit for the year under review, after taxation and exceptional items, stood at Rs. 320 Lacs on a standalone basis and Rs. 1,570 Lacs on a consolidated basis.

Utilization of IPO Proceeds

During the financial year 2009-10, your Company had successfully completed the Initial Public Offering of shares to the tune of Rs. 666 Crores, including Rs. 186 Crores as Offer for Sale. As regards the utilization of the IPO proceeds the Company had obtained members approval vide Resolution passed by way of Postal Ballot on 21st June, 2011 to authorize the Board of Directors of the Company to decide, alter, vary, revise and finalize the IPO proceeds apart from the objects mentioned in the Prospectus. The details of utilization of issue proceeds to the extent of Rs.

480 Crores as on 31st March, 2013 were placed before the members of Audit Committee at the meeting dated May 29, 2013 and the same also has been taken on record by Board of Directors of the Company.

Dividend

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

Fixed Deposits

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

Cable Distribution

Media Partners Asia (MPA) estimates that CATV Services reaches about 8.8 million homes in India and is the primary means for television distribution (source MPA 2013). Currently as estimated Hathway reaches nearly 10.5 million as on March 2013. This Cable TV Paying Universe is expected to grow to over 106 million homes by 2020. Cable will also continue to be the primary means for distributing television services in a predominantly urban landscape. Digitalization that was mandated by the Cable Television Network Regulation (Amendment) Act, 2011, contemplates a phased roll out of Digital Addressable System (DAS) commencing November 2012 to December 2014. Your Company stands to gain as the economics of the Cable Television business is expected to transform consequent to this mandate.

Your Company along with its subsidiary and joint venture companies successfully rolled out DAS in the cities of Mumbai, Delhi and Kolkata. The Second phase was in 38 phase II cities where the implementation of DAS was with effect from 01st April, 2013. Your Company along with its subsidiary and joint venture companies and its subsidiary companies rolled out DAS in 26 cities forming part of its Phase II deadline.

Your Company is expected to reach a subscriber universe exceeding 10.5 million homes by the end of mandatory DAS. We have a pan India footprint that covers key Hindi speaking markets in the West, North, East and Central India. During the year your Company has increased its stake to 100% in Hathway Bhaskar Multinet Private Limited. With this acquisition its presence in Central India (Indore, Bhopal and Jaipur) is considerably strengthened. During the year as a part of Phase II your Company further expanded the scope of its operations in the South (Hyderabad, Bangalore and Mysore). Your Company also established the presence in key Northern cities such as Faridabad.

Our DAS services are supported by 20 digital head-ends

and more than 16,000 kilometers of HFC networks. We have also implemented state of the art Conditional Access System (CAS), subscriber management and billing solution and partnered with a premier outsourced customer contact centre service provider. In the past year as required by Telecom Regulatory Authority of India (TRAI) the Company has also filed its tariff plan/packages, entered into contractual arrangements with most broadcasters and kept adequately stocked with STBs to meet the requirements of the market.

The Company is now well positioned to monetize its subscriber base under mandatory digitization.

Broadband Services

Our Broadband service reaches a universe of about 1.5 million homes. This makes us among the larger MSOs providing such services in the country. We are a Category-A Internet Service Provider (ISP) and we cover both retail and corporate segments.

India has around 14.98 million broadband subscribers as on 31st December 2012. Broadband has registered a quarterly growth of 2.02% and a year-on-year growth of 12.22% (Source – TRAI Report, May 2013). Cable modem subscribers' accounts for only 5.24% that is only 9.6 million internet subscribers. Cable provides big potential for growth of broadband penetration in the country considering the cable universe of 106 million CATV homes.

As of 31st March 2013, Hathway had about 4,16,000 broadband subscribers, with an all India rank of being the 5th largest ISP Company in the country. With a high quality & high capacity network, Hathway is well placed to garner a larger share of the growing broadband market.

Directors

During the period following the date of last year's report and the date of this report, Mr. Bharat Shah, Chairman and Mr. K. Jayaraman, Managing Director & CEO ceased to be directors of the Company. Your Directors place on record their appreciation on the valuable services rendered by Mr. Bharat Shah and Mr. K. Jayaraman and the guidance received from them.

Mr. Jagdishkumar G. Pillai was appointed as an additional director and also Managing Director & CEO of the Company with effect from 21st December, 2012. The Company has received the notice along with requisite deposit, from a member of the Company pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Jagdishkumar G. Pillai for the office of Director of the Company. He shall continue to assume the office of Managing Director & CEO once appointed as a director of the Company. His appointment and the remuneration payable to him were approved by the shareholders through postal ballot on 25th February 2013.

Pursuant to the provisions of Section 255 read with Section

256 of the Companies Act, 1956, Mr. Vinayak Aggarwal, Mr. Sridhar Gorthi and Mr. Devendra Shrotri, Directors would retire by rotation at the ensuing Annual General Meeting. Being eligible, Mr. Vinayak Aggarwal, Mr. Sridhar Gorthi and Mr. Devendra Shrotri have offered themselves for reappointments.

As required, the requisite details of Directors seeking re-appointment are included in this Annual Report.

Personnel

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

Employees Stock Option Plan

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

During the year under review 3,16,100 options were exercised by the option holders. The net options outstanding under the Employees Stock Option Plan 2007 (Revised 2010) at the end of the year stood at 2,65,299 after lapse/forfeiture of 38,800 options.

Subsidiaries

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

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

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

Considering the nature of operations of the Company,

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

During the year under review, your Company has used foreign exchange amounting to Rs. 39,392 Lacs as compared to the last year's Rs. 14,501 Lacs.

Your Company has earned Foreign Exchange Income of Rs. 644 Lacs during the year under review whereas there was no Foreign Exchange Income earned during last year.

Directors' Responsibilities Statement

Your Directors in compliance of Section 217 (2AA) of the Companies Act, 1956 confirm that in the preparation of the annual accounts for the year ended March 31, 2013:

- a) the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) the Company has selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2013 and the profit of the Company for the year;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts of the Company has been prepared on a going concern basis.

Corporate Governance & Management Discussion and Analysis Report

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

Cost Auditors

Your Company has re-appointed Dr. Ashok Kumar Agarwal, Cost Accountant as Cost Auditor under section 233B of the Companies Act, 1956 for Cost Audit for the financial year 2013-2014.

Statutory Auditors

M/s. G. M. Kapadia & Co, Chartered Accountants, the Statutory Auditors, shall retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The retiring Auditors have furnished certificate to the effect that their re-appointment, if made, would be in accordance with the limit prescribed under section 224(1B) of the Companies Act, 1956. Your Directors recommend their re-appointment.

Comments on Auditors' Report

Your auditors have made certain observations in the annexure to their report pertaining to location wise particulars of Access Devices (para (i) (a)) and the need to strengthen frequency and procedure for verification of assets (para (i) (b)). The Company had initiated a process for verification and identified discrepancies at an overall companywide level as location-wise reconciliation was not expected to have material impact. Discrepancies have been dealt with in the accounts. The auditors have also commented on internal controls pertaining to identification/ registration of ultimate subscribers (para (iv)). The Company is in the process of updating its subscriber database as mandated by the DAS regulations and expects to move to retail billing to end consumers in the course of the current financial year. This is as per the requirement and deadlines laid down by government from time to time.

Acknowledgements

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

FOR AND ON BEHALF OF THE BOARD

CHAIRMAN

Place: Mumbai

Date: May 29, 2013

Annexure to the Directors Report

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

Summary of Status of Options

Hathway Employee Stock Option Plan 2007 (Revised 2010)

a) Total number of options granted	10,45,500
b) Pricing Formula	exercise price would be INR 110.20 and INR 157.30 per share
c) Options vested during the year	151,000
d) Options Exercised during the year	316,100
e) Total number of shares arising as result of exercise of options during the year	316,100
f) Options lapsed during the year	38,800
g) Variations of terms of options	As per special resolution passed at the Annual General Meeting held on 28/09/2010
h) Money realised by exercise of options	Rs. 37,005,530/-
i) Total no of options in force	265,299

(j) Employee wise details of the options granted during the financial year 2012-2013: None

- (i) Senior Managerial Personnel: None of the Senior Management Personnel were granted options during the year.
- (ii) No employee has been granted options exceeding 5% of the total issued and paid up equity capital at the time of grant of option.
- (iii) None of the employees were granted option, during the year, equal to or exceeding 1% of the issued capital.

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

Kindly refer note no. 4.15 to the financial accounts

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

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

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

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

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

Sr. No.	PARTICULARS	Channels India Network Pvt. Ltd.	Vision India Network Pvt. Ltd.	Liberty Media Vision Pvt. Ltd.	Ideal Cables Pvt. Ltd.	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Bee Network & Communication Pvt. Ltd.
	Note					1	
1	Information Furnished for the Financial Year/Period Ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2013
2	Date from which it becomes subsidiary	20.04.1995	07.04.1998	07.04.1998	07.04.1998	07.04.1998	07.04.1998
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	87,500	87,700	10,000	76,020	249,000	99,989
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	95.630%	100.000%	100.000%	100.000%	51.000%	100.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	(10,027,627)	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	(34,490,497)	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	-	-	(79,580)	(1,178,699)	Nil	(6,577)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(20,894,362)	(17,330,899)	(16,118,210)	(24,546,678)	Nil	(10,575,885)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	Elite Cable Network Pvt. Ltd.	Binary Technology Transfers Pvt. Ltd.	Hathway Media Vision Pvt. Ltd.	UTN Cable Communication Pvt. Ltd.	ITV Interactive Media Pvt. Ltd.	Chennai Cable Vision Network Pvt. Ltd.
	Note						
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
2	Date from which it becomes subsidiary	07.04.1998	07.04.1998	13.08.1998	31.05.1999	09.09.1999	30.09.1999
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	48,000	1,000	65,040	25,500	1,000	136,800
	b) Fully paid Shares Each of the face value of Rs.	10	100	10	10	100	10
	c) Extent of Effective Holding	80.000%	100.000%	100.000%	51.000%	100.000%	75.990%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	(13,236)	(2,870,218)	(1,829,307)	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	(310,244)	(11,412,797)	(16,692,933)	Nil	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	-	Nil	Nil	Nil	(2,145)	(2,171)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(874,283)	(16,009,137)	Nil	Nil	(4,938,143)	(16,473,701)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	Hathway Universal Cabletel & Data com Pvt. Ltd.	Win Cable Data com Pvt. Ltd.	Hathway Space Vision Cabletel Pvt. Ltd.	Hathway Software Developers Pvt. Ltd.	Hathway Nashik Cable Network Pvt. Ltd.	Hathway Cnet Pvt. Ltd.
	Note						
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
2	Date from which it becomes subsidiary	10.03.2000	15.03.2000	15.03.2000	21.03.2000	17.06.2000	27.07.2000
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	1,000	200,000	10,020	195,000	45,300	100,000
	b) Fully paid Shares Each of the face value of Rs.	100	10	10	10	10	10
	c) Extent of Effective Holding	100.000%	100.000%	100.000%	65.000%	90.060%	100.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	(1,194,627)	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	(10,870,950)	Nil	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	4,935	636,926	(2,500)	Nil	(125,542)	10,031
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(81,868)	(184,360,875)	(737,452)	Nil	(92,138,214)	(7,768,279)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	Hathway United Cables Pvt. Ltd.	Hathway Internet Satellite Pvt. Ltd.	Hathway Krishna Cable Pvt. Ltd.	Hathway Mysore Cable Network Pvt. Ltd.	Hathway Prime Cable & Datacom Pvt. Ltd.	Hathway Gwalior Cable & Datacom Pvt. Ltd.
	Note						
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
2	Date from which it becomes subsidiary	01.12.2000	01.01.2001	22.07.2002	29.11.2003	03.02.2006	01.05.2007
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	10,000	10,000	4,860,000	292,100	229,500	10,000
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	100.000%	100.000%	97.200%	63.500%	51.000%	100.000%
4	Net Aggregate amount of the subsidiary's						
	Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	(29,904,383)	(3,815,835)	(142,601)	(249,903)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	(57,955,984)	(9,650,659)	(4,923,608)	(4,609,798)
5	Net Aggregate amount of the subsidiary's						
	Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(246,355)	(13,236)	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(22,633)	(14,812,155)	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd.	Hathway Enjoy Cable Network Pvt. Ltd.	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.	Hathway Latur MCN Cable & Datacom Pvt. Ltd.	Hathway MCN Pvt. Ltd.	Hathway Sonali OM Crystal Cable Pvt. Ltd.
	Note						
		(f.k.a. Hathway Infonet Cable & Datacom)			(f.k.a. Hathway Infomedia Cable & Datacom Pvt. Ltd.)	(f.k.a. Marathwada Cable Network Pvt. Ltd.)	
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
2	Date from which it becomes subsidiary	01.03.2008	07.06.2007	01.05.2007	15.01.2008	01.06.2007	01.01.2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	10,200	10,000	10,000	51,000	810,000	51,000
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	51.000%	100.000%	100.000%	51.000%	51.000%	51.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	159,300	(4,571)	(4,560)	(3,926,641)	(10,186,762)	(1,272,226)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(7,762,271)	(965,386)	(35,782)	(6,981,955)	3,430,628	804,455,706
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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 audited accounts as on March 31, 2012

2 Held through subsidiary Hathway Bhaskar Multinet Private Limited

3 Held through subsidiary Gujarat Telelink Private Limited

4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.

5 Held through subsidiary Hathway MCN Private Limited

6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.

7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).

8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	Hathway ICE Television Pvt. Ltd.	Hathway Bhaskar Multinet Pvt. Ltd.	Hathway Rajesh Multichannel Pvt. Ltd.	Net 9 Online Hathway Pvt. Ltd.	GTPL Hathway Pvt. Ltd.	Hathway New Concept Cable & Datacom Pvt. Ltd.
	Note				6	6 & 7	
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	December 31, 2012	March 31, 2013
2	Date from which it becomes subsidiary	15.10.2007	31.12.2007	01.10.2007	01.03.2008	12.10.2007	01.09.2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	102,000	598,944	144,849	5,000	742,500	25,500
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	51.000%	100.000%	51.000%	50.000%	50.0000%	51.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	2,683,092	(22,460,882)	1,981,578	695,605	89,246,551	(6,262,989)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	2,374,616	(30,813,234)	2,645,600	1,357,629	412,962,243	(22,185,240)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Hathway Cable MCN Nanded Pvt. Ltd.	Hathway Palampur Cable Network Pvt. Ltd.	Hathway Mantra Cable Network Pvt. Ltd.	Hathway Dattatray Cable Network Pvt. Ltd.	Hathway Bhaskar CBN Multinet Pvt. Ltd.
	Note		5				2
							(f.k.a. Chattisgarh Broadband Network Pvt. Ltd.)
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
2	Date from which it becomes subsidiary	01.09.2008	17.06.2008	01.04.2008	30.08.2007	13.05.2009	01.07.2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	68,850	1,713,880	15,300	10,000	20,400	25,500
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	51.000%	45.047%	51.000%	100.0000%	51.0000%	51.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	924,820	(2,428,624)	(369,529)	(75,940)	(6,285,554)	1,481,714
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	8,156,141	(5,722,719)	(830,759)	(75,940)	(12,070,721)	2,782,411
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	Hathway Bhaskar CCN Multinet Pvt. Ltd.	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.	Hathway Bhawani Cabletel & Datacom Pvt. Ltd.	Hathway Bhawani NDS Network Pvt. Ltd.	Hathway Bhawani Sai Network Pvt. Ltd.
	Note	2	2	2	4	8	8
		(f.k.a. Hathway Bhaskar Pagaria Multinet Pvt. Ltd.)	(f.k.a. CCN Entertainment (India) Pvt. Ltd.)				
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
2	Date from which it becomes subsidiary	01.07.2008	01.07.2008	29.09.2011	31.08.2009	13.10.2010	03.11.2011
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	242,250	255,000	7,000	4,080,000	8,063	116
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	500	500
	c) Extent of Effective Holding	51.000%	51.000%	70.000%	51.000%	26.010%	0.510%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	3,091,960	1,247,886	(1,158,589)	(4,798,684)	(853,592)	(39)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	705,536	1,025,220	1,086,603	10,199,929	(1,033,252)	(39)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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 audited accounts as on March 31, 2012

2 Held through subsidiary Hathway Bhaskar Multinet Private Limited

3 Held through subsidiary Gujarat Telelink Private Limited

4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.

5 Held through subsidiary Hathway MCN Private Limited

6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.

7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).

8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	Hathway Kokan Crystal Network Pvt. Ltd.	GTPL ANJALI CABLE NETWORK PVT. LTD.	GTPL SOLANKI CABLE NETWORK PVT. LTD.	GTPL ZIGMA VISION PVT. LTD.	GTPL SK NETWORK PVT. LTD.	GTPL VIDEO BADSHAH PVT. LTD.
	Note		3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furnished for the Financial Year/ Period Ended	March 31, 2013	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
2	Date from which it becomes subsidiary	01.11.2011	03.02.2009	02.07.2008	20.02.2009	01.12.2008	04.08.2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	27,990	10,410	33,150	24,514	10,200	5,100
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	51.000%	25.500%	25.500%	35.300%	25.500%	25.500%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(810,278)	349,392	(175,302)	(283,220)	(546,995)	1,195,050
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(1,446,168)	1,003,943	1,900,425	265,575	1,506,172	7,766,501
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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 audited accounts as on March 31, 2012

2 Held through subsidiary Hathway Bhaskar Multinet Private Limited

3 Held through subsidiary Gujarat Telelink Private Limited

4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.

5 Held through subsidiary Hathway MCN Private Limited

6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.

7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).

8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	GTPL KUTCH NETWORK PVT. LTD.	GTPL CITY CHANNEL PVT. LTD.	GTPL SMC NETWORK PVT. LTD.	GTPL SURAT TELELINK PVT. LTD.	GTPL VIDARBHA TELE LINK PVT. LTD.	GTPL SPACE CITY PVT. LTD.
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furinished for the Financial Year/ Period Ended	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
2	Date from which it becomes subsidiary	23.01.2009	31.07.2008	22.01.2009	23.01.2009	01.09.2009	13.04.2009
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	5,100	5,100	5,100	5,100	10,500	10,200
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	25.500%	25.500%	25.500%	25.500%	25.610%	25.500%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	118,502	(3,229)	170,349	(181,994)	(4,318,592)	(119,620)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	176,348	(44,704)	1,033,744	3,440,890	(11,156,445)	76,976
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	GTPL VISION SERVICES PVT. LTD.	GTPL JAY MATAJI NETWORK PVT. LTD.	GTPL NARMADA CYBERZONE PVT. LTD.	GTPL SHIV SHAKTI NETWORK PVT. LTD.	GTPL LINK NETWORK PVT. LTD.	GTPL VVC NETWORK PVT. LTD.
	Note	3 & 7	3 & 6 & 7	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furinished for the Financial Year/Period Ended	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
2	Date from which it becomes subsidiary	01.10.2009	01.08.2009	01.10.2009	01.04.2009	15.04.2009	15.04.2009
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	129,592	10,000	679,870	5,100	102,000	102,000
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	31.750%	25.000%	30.000%	25.500%	25.500%	25.500%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	3,000,642	(222,088)	(650,476)	(3,872)	(215,378)	(1,782,667)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	9,632,344	2,737,161	2,124,939	(12,947)	(1,766,439)	(1,815,943)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	GTPL BLUE BELL NETWORK PVT. LTD.	GTPL PARSHWA CABLE NETWORK PVT. LTD.	GTPL INSIGHT CHANNEL NETWORK PVT. LTD.	GTPL Kolkata Cable & Broadband Pariseva Ltd.	GTPL Dahod Television Network Pvt. Ltd.	GTPL Jay Shantoshima Network Pvt. Ltd.
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furnished for the Financial Year/ Period Ended	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
2	Date from which it becomes subsidiary	01.10.2009	01.10.2009	01.01.2010	30.06.2010	01.08.2010	31.3.2011
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013						
	a) Number of Shares held	9,200	5,732	30,000	290,700	10,200	51,000
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	100	10	10
	c) Extent of Effective Holding	46.000%	28.660%	37.230%	25.500%	25.500%	25.500%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	123,765	1,269,281	266,253	2,302,984	294,436	(231,186)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(3,794,041)	1,912,273	561,977	5,506,227	3,208	285,786
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	GTPL Sorath Telelink Pvt. Ltd.	Gujarat Telelink East Africa Limited	GTPL Shiv Network Pvt. Ltd.	GTPL Sharda Cable Network Private Limited
	Note	3 & 7	3 & 7	3 & 7	3 & 7
1	Information Furnished for the Financial Year/ Period Ended	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
2	Date from which it becomes subsidiary	01.04.2010	01.06.2010	1.10.2010	02.11.2011
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013				
	a) Number of Shares held	51,000	510	10,200	5,100
	b) Fully paid Shares Each of the face value of Rs.	10	55.565	10	10
	c) Extent of Effective Holding	25.500%	25.500%	25.500%	25.500%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c				
	a) For the Financial Year of the Subsidiary aforesaid	108,165	(281)	115,990	(37,735)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(474,469)	(7,591)	190,389	(3,933)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c				
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013				
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

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

Sr. No.	PARTICULARS	GTPL Ahmedabad Cable Network Private Limited	DL GTPL Cabnet Private Limited	GTPL V & S Cable Private Limited	GTPL VIDEO VISION PRIVATE LIMITED
	Note	3 & 7	3 & 6 & 7	3 & 7	3 & 7
1	Information Furinished for the Financial Year/ Period Ended	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
2	Date from which it becomes subsidiary	01.06.2011	01.11.2011	17.01.2012	01.10.2012
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2013				
	a) Number of Shares held	10,200	31,200	28,250	5,100
	b) Fully paid Shares Each of the face value of Rs.	10	10	100	10
	c) Extent of Effective Holding	25.500%	13.000%	25.500%	25.500%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c				
	a) For the Financial Year of the Subsidiary aforesaid	(431,523)	8,988,183	(4,674,208)	(1,007,868)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	80,648	2,791,797	630,431	Not Applicable
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c				
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31st March 2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31st March 2013				
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 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 audited accounts as on March 31, 2012
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

Statement pursuant to General Circular No. 5/12/2007-CL-III dated 08/02/2011 relating to information of Subsidiary Companies

Sr. No.	Particulars	Channels India Network Pvt. Ltd.	Vision India Network Pvt. Ltd.	Liberty Media Vision Pvt. Ltd.	Ideal Cables Pvt. Ltd.	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Bee Network & Communication Pvt. Ltd.
	Financial Year/Period ended on	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
	Note					1	
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	915,000	877,000	100,000	760,200	4,882,350	999,890
2	Reserves	(14,063,184)	(21,481,164)	(22,342,791)	(7,700,405)	22,106,059	(14,430,228)
3	Total Liabilities	187,605	53,463	2,272,922	3,175,425	72,855,030	1,592
4	Total Assets	187,605	53,463	2,272,922	3,175,425	72,855,030	1,592
5	Investments	-	-	-	-	-	-
6	Turnover	2,500	2,500	263,673	208,339	17,015,823	2,500
7	Profit / (Loss) Before Taxation	-	-	(79,580)	(1,178,699)	(19,232,840)	(6,577)
8	Profit / (Loss) After Taxation	-	-	(107,026)	(1,178,699)	(19,232,840)	(6,577)
9	Provision for Taxation	-	-	27,445	-	-	-

Sr. No.	Particulars	Elite Cables Network Pvt. Ltd.	Binary Technology Transfers Pvt. Ltd.	Hathway Media Vision Pvt. Ltd.	UTN Cable Communication Pvt. Ltd.	ITV Interactive Media Pvt. Ltd.	Chennai Cable Vision Network Pvt. Ltd.
	Financial Year/Period ended on	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	600,000	100,000	670,400	500,000	100,000	1,800,200
2	Reserves	(798,228)	(16,252,737)	9,292,481	(31,695,901)	(4,990,601)	(21,447,237)
3	Total Liabilities	-	-	69,663,798	29,428,940	341,832	312,916
4	Total Assets	-	-	69,663,798	29,428,940	341,832	312,916
5	Investments	-	-	24,648,000	-	-	-
6	Turnover	2,500	-	127,747,593	35,763,599	2,500	-
7	Profit / (Loss) Before Taxation	-	(13,236)	(2,874,946)	(3,612,235)	(2,145)	(2,857)
8	Profit / (Loss) After Taxation	-	(13,236)	(2,870,218)	(3,586,876)	(2,145)	(2,857)
9	Provision for Taxation	-	-	4,728	(25,359)	-	-

Note

- 1 The Company has considered the Provisional Accounts. Refer Note No. B(6)B of Notes to Accounts of the Financial Statements
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

Statement pursuant to General Circular No. 5/12/2007-CL-III dated 08/02/2011 relating to information of Subsidiary Companies

Sr. No.	Particulars	Hathway Universal Cabletel & Datacom Pvt. Ltd.	Win Cable & Datacom Pvt. Ltd.	Hathway Space Vision Cabletel Pvt. Ltd.	Hathway Software Developers Pvt. Ltd.	Hathway Nashik Cable Network Pvt. Ltd.	Hathway Cnet Pvt. Ltd.
	Financial Year/Period ended on	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	100,000	2,050,000	100,200	3,000,000	503,000	1,000,000
2	Reserves	(132,633)	(199,808,879)	(10,497,807)	(18,229,629)	(97,968,629)	(5,294,331)
3	Total Liabilities	206,557	6,308,607	27,412	28,566,504	7,340,445	172,885
4	Total Assets	206,557	6,308,607	27,412	28,566,504	7,340,445	172,885
5	Investments	-	-	-	5,000	-	-
6	Turnover	13,382	881,230	-	34,555,534	-	12,587
7	Profit / (Loss) Before Taxation	10,882	739,691	(2,500)	(1,850,825)	(139,398)	10,031
8	Profit / (Loss) After Taxation	4,935	636,926	(2,500)	(1,837,887)	(139,398)	8,596
9	Provision for Taxation	5,946	102,765	-	(12,938)	-	1,435

Sr. No.	Particulars	Hathway United Cables Pvt. Ltd.	Hathway Internet Satellite Pvt. Ltd.	Hathway Krishna Cable Pvt. Ltd.	Hathway Mysore Cable Network Pvt. Ltd.	Hathway Prime Cable & Datacom Pvt. Ltd.	Hathway Gwalior Cable & Datacom Pvt. Ltd.
	Financial Year/Period ended on	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	100,000	100,000	50,000,000	4,600,000	4,500,000	100,000
2	Reserves	(268,988)	(16,228,960)	(102,889,087)	(22,316,414)	(7,158,474)	(6,827,229)
3	Total Liabilities	1,893,986	-	47,542,510	18,568,230	6,789,676	927,378
4	Total Assets	1,893,986	-	47,542,510	18,568,230	6,789,676	927,378
5	Investments	6,000	-	15,000	10,000	-	-
6	Turnover	1,182	-	56,767,388	24,324,731	1,200,000	-
7	Profit / (Loss) Before Taxation	(246,355)	(13,236)	(31,354,416)	(6,025,062)	(279,610)	(249,903)
8	Profit / (Loss) After Taxation	(246,355)	(13,236)	(30,765,826)	(6,009,189)	(279,610)	(249,903)
9	Provision for Taxation	-	-	(588,590)	(15,873)	-	-

Note

- 1 The Company has considered the Provisional Accounts. Refer Note No. B(6)B of Notes to Accounts of the Financial Statements
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

Statement pursuant to General Circular No. 5/12/2007-CL-III dated 08/02/2011 relating to information of Subsidiary Companies

Sr. No.	Particulars	Hathway Digital Saharanpur Cable and Datacom Pvt. Ltd.	Hathway Enjoy Cable Network Pvt. Ltd.	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.	Hathway Kokan Crystal Cable Network Pvt. Ltd.	Hathway Latur MCN Cable & Datacom Pvt. Ltd.	Hathway MCN Pvt. Ltd.
		(f.k.a. Hathway Infonet Cable & Datacom)				(f.k.a. Hathway Infomedia Cable & Datacom Pvt. Ltd.)	(f.k.a. Marathwada Cable Network Pvt. Ltd.)
	Financial Year/Period ended on	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
	Note						
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	200,000	100,000	100,000	548,820	1,000,000	18,132,350
2	Reserves	2,725,905	30,709	(40,342)	34,046,717	(4,361,712)	75,329,094
3	Total Liabilities	22,395,187	349,056	87,260	44,894,861	22,222,451	167,766,921
4	Total Assets	22,395,187	349,056	87,260	44,894,861	22,222,451	167,766,921
5	Investments	-	-	-	-	2,100	4,112,930
6	Turnover	23,359,937	-	-	23,113,800	19,006,105	138,942,575
7	Profit / (Loss) Before Taxation	312,353	(4,571)	(4,560)	(1,608,948)	(9,422,810)	(24,023,233)
8	Profit / (Loss) After Taxation	312,353	(4,571)	(4,560)	(1,588,769)	(7,699,296)	(19,974,043)
9	Provision for Taxation	-	-	-	20,179	1,723,514	(4,049,190)

Sr. No.	Particulars	Hathway Sonali OM Crystal Cable Pvt. Ltd.	Hathway ICE Television Pvt. Ltd.	Hathway Bhaskar Multinet Pvt. Ltd.	Hathway Rajesh Multichannel Pvt. Ltd.	Net 9 Online Hathway Pvt. Ltd.	Hathway New Concept Cable & Datacom Pvt. Ltd.
	Financial Year/Period ended on	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
	Note					6	
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	1,000,000	2,000,000	12,254,200	2,840,170	100,000	500,000
2	Reserves	16,307,610	2,446,554	71,552,043	42,656,277	5,201,645	83,791,825
3	Total Liabilities	108,066,815	31,613,979	519,202,337	124,800,998	13,631,117	183,884,520
4	Total Assets	108,066,815	31,613,979	519,202,337	124,800,998	13,631,117	183,884,520
5	Investments	-	-	109,071,000	50,001	-	-
6	Turnover	212,116,201	40,736,187	463,029,027	145,539,603	35,377,127	72,318,218
7	Profit / (Loss) Before Taxation	1,602,093	6,807,125	(36,860,851)	6,124,219	1,691,209	(12,803,341)
8	Profit / (Loss) After Taxation	(2,494,562)	5,260,965	(36,860,851)	3,885,447	1,391,209	(12,280,372)
9	Provision for Taxation	4,096,655	1,546,160	-	2,238,772	300,000	522,969

Note

- 1 The Company has considered the Provisional Accounts. Refer Note No. B(6)B of Notes to Accounts of the Financial Statements
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 5 Held through subsidiary Hathway MCN Private Limited
- 6 Subsidiary based on our/subsidiary Company's right to appoint majority of directors on the board of Company.
- 7 In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

Statement pursuant to General Circular No. 5/12/2007-CL-III dated 08/02/2011 relating to information of Subsidiary Companies

Sr. No.	Particulars	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Hathway Cable MCN Nanded Pvt. Ltd.	Hathway Palampur Cable Network Pvt. Ltd.	Hathway Mantra Cable & Datacom Pvt. Ltd.	Hathway Dattatray Cable Network Pvt. Ltd.	Hathway Bhaskar CBN Multinet Pvt. Ltd.
							(f.k.a.: Chattisgarh Broadband Network Pvt. Ltd.)
	Financial Year/Period ended on	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
	Note		5				2
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	1,350,000	33,605,490	300,000	100,000	400,000	500,000
2	Reserves	553,772,428	(23,550,565)	10,433,394	(75,940)	44,002,704	17,261,930
3	Total Liabilities	655,131,986	36,108,633	12,924,763	87,260	87,327,110	47,276,827
4	Total Assets	655,131,986	36,108,633	12,924,763	87,260	87,327,110	47,276,827
5	Investments	-	-	-	-	-	653,879
6	Turnover	215,049,171	20,132,072	13,726,979	-	21,538,301	64,940,365
7	Profit / (Loss) Before Taxation	3,623,722	(9,850,617)	(722,363)	(75,940)	(16,348,459)	6,811,376
8	Profit / (Loss) After Taxation	1,813,372	(5,391,371)	(724,567)	(75,940)	(12,324,616)	4,767,963
9	Provision for Taxation	1,810,350	4,459,247	2,204	-	4,023,843	2,043,413

Sr. No.	Particulars	Hathway Bhaskar CCN Multinet Pvt. Ltd.	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	Hathway Bhaskar CCN Multi Entertainment Pvt. Ltd.	Hathway Bhawani Cabletel & Datacom Ltd.	Hathway Bhawani NDS Network Pvt. Ltd.	Hathway Bhawani Sai Network Pvt. Ltd.
		(f.k.a. Hathway Bhaskar Pagariya Multinet Pvt. Ltd.)	(f.k.a. CCN Entertainment (India) Pvt. Ltd.)				
	Financial Year/Period ended on	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2013
	Note	2	2	2	4	8	8
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	4,750,000	5,000,000	100,000	80,000,000	15,500,000	5,800,000
2	Reserves	7,492,680	8,210,583	(5,759,957)	(25,955,314)	(7,254,301)	(15,320)
3	Total Liabilities	77,624,699	33,873,433	16,855,329	129,624,186	12,001,976	5,792,680
4	Total Assets	77,624,699	33,873,433	16,855,329	129,624,186	12,001,976	5,792,680
5	Investments	-	-	-	8,084,157	-	-
6	Turnover	69,347,389	38,535,682	12,535,898	174,744,867	11,316,575	-
7	Profit / (Loss) Before Taxation	14,728,033	5,736,476	(2,716,250)	(11,085,428)	(3,281,783)	(7,660)
8	Profit / (Loss) After Taxation	9,949,523	4,015,533	(2,716,250)	(9,409,185)	(3,281,783)	(7,660)
9	Provision for Taxation	4,778,510	1,720,943	-	(1,676,243)	-	-

Note

- The Company has considered the Provisional Accounts. Refer Note No. B(6)B of Notes to Nccounts of the Financial Statements
- Held through subsidiary Hathway Bhaskar Multinet Private Limited
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- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- Held through subsidiary Hathway MCN Private Limited
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- In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

Statement pursuant to General Circular No. 5/12/2007-CL-III dated 08/02/2011 relating to information of Subsidiary Companies

Sr. No.	Particulars	GTPL HATHWAY PVT. LTD.	GTPL ANJALI CABLE NETWORK PRIVATE LIMITED	GTPL SOLANKI CABLE NETWORK PRIVATE LIMITED	GTPL ZIGMA VISION PRIVATE LIMITED	GTPL SK NETWORK PRIVATE LIMITED	GTPL VIDEO BADSHAH PRIVATE LIMITED
	Financial Year/Period ended on	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
	Note	6 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	14,850,000	204,100	650,000	347,200	200,000	100,000
2	Reserves	2,025,832,696	28,102,569	4,257,529	2,986,553	12,519,685	17,923,103
3	Total Liabilities	4,844,547,967	33,977,033	17,951,167	6,948,052	20,594,774	27,992,043
4	Total Assets	4,844,547,967	33,977,033	17,951,167	6,948,052	20,594,774	27,992,043
5	Investments	934,177,709	-	2,000	2,000	2,000	1,285,200
6	Turnover	2,437,279,697	14,804,259	15,465,528	6,048,793	13,882,101	14,411,229
7	Profit / (Loss) Before Taxation	278,411,572	2,058,829	(335,026)	(487,382)	(892,335)	3,646,641
8	Profit / (Loss) After Taxation	178,493,102	698,783	(350,604)	(566,439)	(1,093,989)	2,390,101
9	Provision for Taxation	99,761,175	1,360,046	15,578	6,575	201,654	1,256,540

Sr. No.	Particulars	GTPL KUTCH NETWORK PRIVATE LIMITED	GTPL CITY CHANNEL PRIVATE LIMITED	GTPL SMC NETWORK PRIVATE LIMITED	GTPL SURAT TELELINK PRIVATE LIMITED	GTPL VIDARBHA TELELINK PRIVATE LIMITED	GTPL SPACE CITY PRIVATE LIMITED
	Financial Year/Period ended on	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	100,000	100,000	100,000	100,000	205,000	200,000
2	Reserves	411,489	(95,865)	2,406,053	7,870,318	(34,707,823)	18,630,332
3	Total Liabilities	14,432,121	119,452	4,103,054	74,222,043	38,165,595	24,301,979
4	Total Assets	14,432,121	119,452	4,103,054	74,222,043	38,165,595	24,301,979
5	Investments	2,000	-	2,000	-	-	-
6	Turnover	13,124,539	-	4,696,798	66,757,805	24,558,796	3,834,871
7	Profit / (Loss) Before Taxation	368,885	(6,457)	374,161	(408,581)	(8,637,185)	138,422
8	Profit / (Loss) After Taxation	237,004	(6,457)	340,697	(363,987)	(8,637,185)	(239,240)
9	Provision for Taxation	131,881	-	33,464	(46,694)	-	377,662

Note

- The Company has considered the Provisional Accounts. Refer Note No. B(6)B of Notes to Accounts of the Financial Statements
- Held through subsidiary Hathway Bhaskar Multinet Private Limited
- Held through subsidiary Gujarat Telelink Private Limited
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- Held through subsidiary Hathway MCN Private Limited
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- In respect of consolidated entities, financial results upto December 31, 2012 have been considered (Refer note no. 4.02 (C)).
- Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

Statement pursuant to General Circular No. 5/12/2007-CL-III dated 08/02/2011 relating to information of Subsidiary Companies

Sr. No.	Particulars	GTPL VISION SERVICES PRIVATE LIMITED	GTPL JAI MATAJI NETWORK PRIVATE LIMITED	GTPL NARMADA CYBERZONE PRIVATE LIMITED	GTPL SHIVSHAKTI NETWORK PRIVATE LIMITED	GTPL LINK NETWORK PRIVATE LIMITED	GTPL VVC NETWORK PRIVATE LIMITED
	Financial Year/Period ended on	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
	Note	3 & 7	3 & 6 & 7	3 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	2,040,820	200,000	11,331,170	100,000	2,000,000	2,000,000
2	Reserves	206,862,302	16,093,643	10,827,359	(37,871)	38,045,037	15,601,173
3	Total Liabilities	235,498,831	43,040,680	33,980,449	100,000	48,074,595	26,349,692
4	Total Assets	235,498,831	43,040,680	33,980,449	100,000	48,074,595	26,349,692
5	Investments	-	-	-	-	-	-
6	Turnover	76,338,332	15,222,782	25,250,158	-	13,540,403	6,012,135
7	Profit / (Loss) Before Taxation	9,289,473	177,329	(1,373,286)	(7,744)	(430,755)	(3,725,950)
8	Profit / (Loss) After Taxation	6,001,283	(444,176)	(1,300,951)	(7,744)	(430,755)	(3,565,334)
9	Provision for Taxation	3,288,190	462,411	(72,335)	-	-	(160,616)

Sr. No.	Particulars	GTPL BLUE BELL NETWORK PRIVATE LIMITED	GTPL PARSHWA CABLE NETWORK PRIVATE LIMITED	GTPL INSIGHT CHANNEL NETWORK PRIVATE LIMITED	GTPL KOLTATA CABLE & BROADBAND PARISEVA LIMITED	GTPL DAHOD TELEVISION NETWORK PRIVATE LIMITED	GTPL JAY SANTOSHIMA NETWORK PRIVATE LIMITED
	Financial Year/Period ended on	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
	Note	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR	INR	INR
1	Share Capital	100,000	100,000	402,900	56,995,000	200,000	1,000,000
2	Reserves	(7,340,552)	7,047,493	8,186,178	115,548,423	8,192,298	20,468,514
3	Total Liabilities	17,032,422	14,243,043	12,596,229	1,209,352,998	13,698,069	26,283,545
4	Total Assets	17,032,422	14,243,043	12,596,229	1,209,352,998	13,698,069	26,283,545
5	Investments	-	-	-	-	-	-
6	Turnover	21,535,067	16,969,611	5,354,956	245,903,754	7,750,072	8,998,038
7	Profit / (Loss) Before Taxation	297,529	4,063,432	728,371	(2,882,689)	533,973	883,686
8	Profit / (Loss) After Taxation	247,529	2,538,562	532,506	4,605,968	588,871	(462,372)
9	Provision for Taxation	50,000	1,538,173	195,865	(7,451,038)	(54,898)	1,346,058

Note

- The Company has considered the Provisional Accounts. Refer Note No. B(6)B of Notes to Accounts of the Financial Statements
- Held through subsidiary Hathway Bhaskar Multinet Private Limited
- Held through subsidiary Gujarat Telelink Private Limited
- Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
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- Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

Statement pursuant to General Circular No. 5/12/2007-CL-III dated 08/02/2011 relating to information of Subsidiary Companies

Sr. No.	Particulars	GTPL SORATH TELELINK PRIVATE LIMITED	GUJARAT TELELINK EAST AFRICA LTD	GTPL SHIV NETWORK PRIVATE LIMITED	GTPL SHARDA CABLE NETWORK PRIVATE LIMITED
	Financial Year/Period ended on	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
	Note	3 & 7	3 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR
1	Share Capital	1,000,000	55,562	200,000	100,000
2	Reserves	15,191,392	(15,745)	2,713,417	(83,335)
3	Total Liabilities	27,869,220	4,152,439	3,673,135	555,023
4	Total Assets	27,869,220	4,152,439	3,673,135	555,023
5	Investments	2,000	-	-	-
6	Turnover	6,953,494	-	1,546,592	1,212,401
7	Profit / (Loss) Before Taxation	(158,554)	(562)	329,360	(61,070)
8	Profit / (Loss) After Taxation	216,330	(562)	231,980	(75,470)
9	Provision for Taxation	(374,884)	-	97,380	14,400

Sr. No.	Particulars	GTPL AHMEDABAD CABLE NETWORK PRIVATE LIMITED	DL GTPL CABNET PRIVATE LIMITED	GTPL V & S CABLE PRIVATE LIMITED	GTPL VIDEO VISION PRIVATE LIMITED
	Financial Year/Period ended on	December 31, 2012	December 31, 2012	December 31, 2012	December 31, 2012
	Note	3 & 7	3 & 6 & 7	3 & 7	3 & 7
	Currency	INR	INR	INR	INR
1	Share Capital	200,000	1,200,000	5,540,000	100,000
2	Reserves	12,945,381	63,686,162	(5,654,380)	2,400,841
3	Total Liabilities	18,965,850	103,205,423	37,151,838	9,809,062
4	Total Assets	18,965,850	103,205,423	37,151,838	9,809,062
5	Investments	-	263,069	-	-
6	Turnover	8,818,974	100,281,485	29,418,673	5,771,148
7	Profit / (Loss) Before Taxation	(870,624)	22,990,154	(9,209,624)	(1,644,598)
8	Profit / (Loss) After Taxation	(863,045)	17,976,366	(9,348,416)	(2,015,735)
9	Provision for Taxation	(7,578)	5,013,788	138,792	371,137

Note

- 1 The Company has considered the Provisional Accounts. Refer Note No. B(6)B of Notes to Accounts of the Financial Statements
- 2 Held through subsidiary Hathway Bhaskar Multinet Private Limited
- 3 Held through subsidiary Gujarat Telelink Private Limited
- 4 Partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
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- 8 Held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS

India with nearly 162 Million Television Households (TVHH) is among the largest television distribution markets in the world. Community Antenna Television (CATV) services reach 97 Million (60% of TVHH) homes and is therefore the pre-eminent means of distributing television services in the country. Direct to Home (DTH) services follow with a penetration of around 32 Million TVHH.

CATV is well penetrated, particularly in urban regions. Media Partners Asia (MPA) 2013 estimates, that the total universe of TV Households in India will grow to 205 Million in 2020. Cable will continue to be a significant proportion of this universe and is expected to grow from 97 Million TVHH in 2012 to 106 Million TVHH in 2020. While the growth of the cable universe is modest the real opportunity lies in the implementation of mandatory Digital Addressable System (DAS) consequent to the enactment of the Cable Television Networks (Regulation) Amendment Act 2011. This will result in a more efficient monetization of the subscriber base and contribute to growth in subscription revenues. India commenced implementation of digitization (Digital Addressable Systems – DAS) from November 2012 in Phase I cities (Mumbai, Delhi & Kolkata) and soon thereafter followed up with the roll-out of DAS effective April 2013 in Phase II cities (38 cities with a population exceeding 1 Million). Phase III and IV are expected to be rolled-out in September, 2014 and December 2014 respectively, thus transforming the fortunes of the television distribution industry in the country.

Mandatory digitization of Cable TV networks will have far reaching consequences for the entire media industry. In addition to improving the economics of Cable TV companies i.e. the Multi System Operators (MSO) and broadcasters it will significantly enhance customer experience giving him/her the right of choice, empowering him to pick and choose the content he/she chooses to watch. More importantly the capacity of cable networks will be significantly enhanced enabling them to carry additional services such as High Definition (HD) channels, value added services such as Video on Demand (VoD), localized programming and most importantly Broadband services. All this will be achieved at Subscriber Acquisition Costs (SAC) that are significantly lower compared with other platforms such as DTH. The business which was hitherto B2B in its' character will transform into a B2C business.

Those players who adapt to this transformation will stand to gain considerably as their investments will be more effectively monetized realizing better returns for all stakeholders.

BUSINESS OVERVIEW

We are India's largest Multi System Operator (MSO). Along with our Joint Venture partners and subsidiaries we serve a universe that is expected to exceed 10.5 Million homes. Significantly, out of this universe, we directly serve nearly 640,000 primary subscribers where there is no intervening Local Cable Operators (LCO) thus allowing us to capture a better share of the economic value. Our footprint which subsumes 150 cities & towns and is amongst the widest in

the industry.

This footprint covers significant Hindi Speaking Markets (HSM) in the West, North and Central parts of India. In the process of rolling out in the Phase I DAS markets we have acquired new subscribers in cities such as Kolkata in the East and thereafter in Phase II expanded into cities such as Faridabad, Jabalpur and Agra in the North.

Among all MSOs, Hathway together with its' associates, cumulatively seeded the largest number of STBs reaching a count of almost 6.4 Million. It is anticipated that at the end of Phase II Hathway services will reach over 7.0 Million STBs making it by far the largest player at this stage. This positions the Company well to accelerate growth going into Phase III & IV in 2014.

Our Broadband services reach over 416,000 subscribers out of a home passed universe of about 1.5 Million. It is the largest broadband provider among all MSOs in the country. This service is available across 19 cities giving it pan India presence.

Our DAS roll-out is now supported by 20 Digital Head-ends and more than 16,000 kilometers of HFC network. We are also in the process of upgrading our Broadband services with a state-of-the-art Docsis 3 platform. We anticipate that this will significantly impact customer experience and will help to make us India's premier operator in the Broadband space.

We continue to receive commendations from industry having been awarded the "Best cable operator of the year" by Indian Telly Awards several times.

OUR STRATEGY

CATV

With the roll-out of DAS we expect our business model to change significantly transitioning our strategy from width to depth.

Our early focus has been on digitally enabling our universe of subscribers in the Phase I and Phase II cities that we serve. This has involved partnering with our Local Cable Operators / Distributors in adequately seeding Set Top Boxes (STBs), establishing back end infrastructure such as Digital Head-ends, Subscriber Management Systems (SMS), Conditional Access Systems (CAS) and Customer Contact Centers that are commensurate with the scaling up of operations. We have achieved near 100% seeding of STBs in the areas that we serve. We have deployed quality CAS from NDS and Cisco. We have also simultaneously strengthened back-end infrastructure by deploying state-of-the-art Ericsson head-ends in key markets. The compression technologies deployed through these head-ends allows us to free up huge capacity that can be alternatively deployed for additional Standard Definition, High Definition and Broadband services. We have also partnered with an outsourced customer contact center for better provision of services.

With the completion of Phases I and II of DAS we have achieved coverage across a wide geography. This presence gives us either the number one or two positions in terms of

market share in most of the markets we serve. Most of the cities are significant Hindi Speaking Markets (HSM). This positions us well in our negotiations of content supply terms with broadcasters.

We have expanded into new cities such as Kolkata, Jabalpur, Agra and Faridabad. We also expect to add to our universe in cities such as Hyderabad and Bangalore. This addition to our universe has resulted in an expansion in our total universe from 8.8 Million subscribers to over 10.5 Million subscribers. It is pertinent to note that a bulk of our universe derives from Phase I and II towns which are expected to be higher Average Rate per Unit (ARPU) markets and more likely to adopt Value Added Service offerings.

We also use the capacity of our networks to deliver a wider variety (20+) of HD channels compared with competing platforms.

In the next phase of our growth we intend to focus on providing greater depth to our service offerings – this is expected to drive growth in ARPU over the next few years. Keeping this objective in view we anticipate launch of several Value Added Services, over the next few years, among which the following will be our immediate focus –

- Innovative channel packaging to aid up selling services to subscribers
- Video on Demand
- Local Content
- HD - PVRs

BROADBAND BUSINESS

We are the country's largest cable broadband service provider. We intend to build on this base of over 416,000 subscribers (Homes Passed : 1.5 Million). We recognize that a bundled dual play offering that includes both CATV and Broadband to our subscribers makes effective use of our Digital infrastructure. Apart from being a value add it will dissuade customers from churning as competing platforms (such as DTH) cannot match our bundled offering.

We are in the process of upgrading our broadband infrastructure to the Docsis 3 standard which allows us to offer higher access speeds. This process will commence first in markets with high ARPU potential and gradually roll-out thereafter nationwide. We will also offer innovative bundled price and product packages (for instance, including CPE for home WiFi enablement for high bandwidth subscribers).

We expect to rapidly grow our homes passed over the next few years extending our broadband reach into markets that have been digitized consequent to the DAS mandate.

REGULATION

Our business is subject to regulation by the Telecom Regulatory Authority of India ("TRAI"), the Ministry of Information and Broadcasting ("MIB") and Department of Telecommunication ("DOT").

PERFORMANCE REVIEW

Standalone Operating Revenue for the company for the year ended 31st March 2013 stood at Rs. 668 crores which represents a growth of 26% over the previous year. EBITDA

was at Rs. 182 Crores (Previous Year Rs. 101 Crores) and PAT for the year stood at a profit of Rs. 3 Crores (Previous Year loss of Rs. 53 Crores).

Consolidated Operating Revenue for the Company stood at Rs. 1148 Crores (Previous Year Rs. 1029 Crores) up by 12% and EBITDA at Rs. 290 Crores (PY Rs. 184 Crores) up by 57%. Consolidated PAT stood at a profit of Rs 16 Crores (Previous Year loss of Rs. 49 Crores).

RISKS AND CONCERNS

MARKET RISK

We derive a significant portion of our subscription revenue from carriage and placement fees. In the event of any decline in the growth of the broadcasting business in India or if new channels are not introduced, our revenues may decrease. Further, revenues from placement fees depend upon the availability of frequencies. If the frequencies requested by a broadcaster have already been provided to another, we may not be able to provide such broadcaster with the same frequency, thereby adversely affecting our business and results of operations.

Our relationships with existing LCOs — To maintain our secondary subscriber base, it is critical to maintain a healthy relationship with our LCOs in order to avoid such LCOs from considering alternatives to our cable television services.

Competition — Our cable television services business faces competition from national cable television service providers as well as providers of television services through alternative technology platforms, such as DTH satellite television and IPTV. Our key competition for broadband Internet access service is ADSL technology, provided by companies such as BSNL/MTNL, Airtel, Tata Communication and Reliance.

FINANCING RISK

As at March 31, 2013, our outstanding loans from banks and financial institutions of Rs. 568 Crores, was subject to floating interest rates. Further, outstanding payables to banks and creditors for capital expenditure aggregated to Rs 421 Crores and subject to fluctuations in foreign currency rates. As a consequence, our operations may be materially affected by fluctuations in interest and foreign currency rates. While we partly hedge our foreign currency risks through forward cover contracts, we have not entered into any hedging transactions with respect to interest rates.

HUMAN RESOURCES

As we transition from a B2B to B2C business model we recognize that the quality of our human resources will be key to enhancing our customer experience. To this end we have hired talent from the telecommunications and media space to strengthen our leadership. We are also in the process of restructuring and retraining our human resources to make the organization more customers facing.

CAUTIONARY STATEMENT

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

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

Corporate Governance refers to a set of laws, regulations and good practices that enable an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders. It is a set of systems and procedure to ensure accountability, transparency and fairness in the affairs of the Company to meet its stakeholders' aspirations and societal expectations and it is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met with integrity. The Company has established systems and procedures to ensure that its Board of directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values

The Company believes that adherence to business ethics and commitment to Corporate Governance will help the Company to achieve its goal of maximising value for all its stakeholders and endeavours to not only match international standards but also strives to set a benchmark for Corporate Governance initiatives.

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

Our Corporate Governance philosophy is based on the following principles.

- Corporate Governance standards should be complied with in letter as well as spirit
- Maintain absolute transparency and adequate disclosure practices
- Individual preferences and convenience should be subordinate to corporate conveniences
- Communicate externally in a truthful manner about how the Company is run internally
- Compliance with the laws in which the Company operates
- Simple and transparent corporate disclosure driven solely by business needs
- Management is the trustee of the shareholders' capital and not the owner

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

2. Board of Directors

a) Composition of the Board of Directors

The Board of Directors ("Board") of the Company has an optimum combination of Executive, Non-Executive and Independent Directors, who have in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board provides leadership, strategic guidance and an independent view to the Company's management. As on March 31, 2013, the Board comprises of One Executive Director and Ten Non-Executive Directors. The Chairman of the Board is an Independent Director. Four Directors, of the total strength of the Board of Directors, are independent Directors. The composition of the Board and other relevant details relating to Directors for the financial year ended March 31, 2013 are as under:

Name of the Director	Relationship with other Directors	Designation	Category of Directorship	No of Other Directorships ¹	No of Other Committee Memberships ²	
					Chairman	Member
Mr. Bharat Shah ³	None	Chairman	Independent	5	-	1
Mr. Brahma Vasudevan	None	Chairman	Independent	-	-	-
Mr. K. Jayaraman ⁴	None	Vice Chairman	Non- Executive	1	-	1
Mr. Rajan Raheja	Father of Mr. Akshay Raheja & Mr. Viren Raheja	Director	Non- executive & Non Independent	7	-	4
Mr. Akshay Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Viren Raheja	Director	Non- executive & Non Independent	3	-	2
Mr. Viren Raheja	Son of Mr. Rajan Raheja & Brother of Mr. Akshay Raheja	Director	Non- executive & Non Independent	4	-	2
Mr. Jagdish Kumar G Pillai ⁵	None	Managing Director & CEO	Executive	1	-	-
Mr. Vinayak Aggarwal	None	Director	Non- executive & Non Independent	1	-	-
Mr. Sasha Mirchandani	None	Director	Independent	2	-	1
Mr. Sridhar Gorthi	None	Director	Independent	2	-	3
Mr. Devendra Shrotri	None	Director	Independent	-	-	-
Biswajit Subrmanian ⁶	None	Director	Non- executive & Non Independent	2	-	-

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

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

³ Ceased to be a Director of the Company w.e.f. 26th September, 2012.

⁴ Ceased to be Managing Director & CEO and appointed as Vice Chairman of the Company w.e.f 21st December, 2012.

⁵ Appointed as Additional Director and then Managing Director & CEO of the Company w.e.f 21st December, 2012.

⁶ Appointed as Additional Director w.e.f 11th May, 2012 and his appointment was regularised w.e.f. 26th September, 2012.

b) Appointment / Re-appointment of Directors:

Pursuant to the provisions of Sections 255 and 256 of the Companies Act, 1956, Mr. Vinayak Aggarwal, Mr. Sridhar Gorthi and Mr. Devendra Shrotri shall retire by rotation at the forthcoming Annual General Meeting.

Mr. Jagdish Kumar G. Pillai was appointed as an additional director on the Board of Directors of your Company with effect from 21st December 2012. The Company has received the notice along with requisite deposit, from a member of the Company pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Jagdish Kumar G. Pillai for the office of Director of the Company.

The Board has recommended to the shareholders the appointment/re-appointment of the aforesaid Directors. The detailed resume of the aforesaid proposed appointees who have offered themselves for appointment/re-appointment are provided in the explanatory statement annexed to the notice of the Annual General Meeting.

c) Board Meetings and Annual General Meeting:

During the financial year 2012-13, Eight (8) Board Meetings were held on 11th May 2012, 10th August 2012, 21st August 2012, 26th September 2012, 08th November 2012, 21st December 2012, 7th February 2013 and 28th February 2013. The last Annual General Meeting of the Company was held on 26th September, 2012. The details of attendance of Directors in Board Meetings and the last Annual General Meeting are as follows:

Name of the Director(s)	No. of Board Meetings Attended	Attendance at Last Annual General Meeting
Mr. Brahmal Vasudevan	2	No
Mr. Bharat Shah *	3	Yes
Mr. Rajan Raheja	8	No
Mr. Akshay Raheja	3	No
Mr. Viren Raheja	8	Yes
Mr. Jagdish Kumar G. Pillai**	2	N.A
Mr. K. Jayaraman	6	Yes
Mr. Vinayak Aggarwal	7	Yes
Mr. Sasha Mirchandani	5	Yes
Mr. Sridhar Gorthi	4	No
Mr. Devendra Shrotri	6	Yes
Mr. Biswajit Subrmanian***	4	No

* Ceased to be Director w.e.f 26th September, 2012.

** Appointed as Director of the Company w.e.f. 21st December, 2012.

*** Appointed as Director of the Company w.e.f. 11th May, 2012.

d) Code of Conduct

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

The Company has obtained the confirmation of the Compliance with the Code from all its Board members and senior management personnel. As required by Clause 49 of the Listing Agreement, the declaration on compliance of the Company's code of conduct signed by Managing Director forms a part of this Annual Report.

3. **Audit Committee**

a) Constitution of Audit Committee:

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

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

During the Financial year 2012-13, Five (5) Audit Committee Meetings were held on 11th May 2012, 10th August 2012, 21st August 2012, 8th November 2012 and 7th February 2013. The composition of the Audit Committee and the number of meeting attended were as under:

Committee Members Attending the Meeting	Designation	No. of Meetings Attended
Mr. Bharat Shah *	Chairman	3
Mr. Devendra Shrotri **	Chairman	4
Mr. Viren Raheja	Member	5
Mr. Sasha Mirchandani	Member	3
Mr. Sridhar Gorthi	Member	3
Mr. Brahmal Vasudevan *	Member	2

* w.e.f 5th November, 2012, the Audit Committee was reconstituted with the induction of Mr. Brahmal Vasudevan, as a member in place of Mr. Bharat Shah.

** w.e.f 5th November, 2012, Mr. Devendra Shrotri was appointed as the Chairman of the Audit Committee in place of Mr. Bharat Shah.

c) Attendees:

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

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

- i) Hold discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems.
- ii) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- iii) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgement by the management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure of any related party transactions.
 - (g) Qualifications in the draft audit report.
- v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- vi) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- vii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- viii) Discussion with internal auditors on any significant findings and follow up there on.
- ix) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- x) Discussion with statutory auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xi) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- xii) Review of information as prescribed under Clause 49 (II) (E) of the listing agreement.

4. **Remuneration Committee**

a) Constitution of Remuneration Committee:

The Remuneration Committee comprises of Six Members. All the members are Non-Executive Directors out of which four members are Independent Directors.

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

During the Financial year 2012-13 One (1) Remuneration Committee Meeting was held on 21st December, 2012.

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

c) Terms of reference:

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

d) Remuneration Policy:

i) Management Staff:

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

ii) Non-Executive Directors:

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

The Board of Directors at their Meeting held on 21st September, 2009 had approved payment of sitting fees up to Rs. 20,000/- (Rupees Twenty Thousand only) for attending meeting of Board of Directors and Rs. 15,000/- (Rupees Fifteen Thousand only) for attending meeting of the Audit Committee. Details of the Sitting fees paid during the Financial Year 2012-13 are as under:

Name of the Director	Sitting Fees Paid (Amt. in Rs.)
Mr. Bharat Shah	90,000
Mr. Rajan Raheja	1,60,000
Mr. Akshay Raheja	60,000
Mr. Viren Raheja	2,35,000
Mr. K. Jayaraman	1,20,000
Mr. Vinayak Aggarwal	1,40,000
Mr. Brahma Vasudevan	55,000
Mr. Sasha Mirchandani	1,45,000
Mr. Sridhar Gorthi*	1,25,000
Mr. Devendra Shrotri	1,80,000
Mr. Biswajit Subrmanian	1,00,000
Total	14,10,000

* Payments made directly to "Trilegal"

iii) Executive Directors:

As on 31st March, 2013, Mr. Jagdish Kumar G. Pillai, Managing Director & CEO, was only Executive Director in the Company.

Details of remuneration paid to Executive Directors during year ended March 31, 2013 are given below:

Name of the Executive Director	Designation	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. K. Jayaraman*	Managing Director & CEO	164.88 Lakhs	--	164.88 Lakhs
Mr. Jagdish Kumar G. Pillai	Managing Director & CEO	51.17 Lakhs	--	51.17 Lakhs

* Ceased to be Managing Director & CEO and appointed as Vice Chairman w.e.f 21st December, 2012.

** Appointed as Managing Director & CEO w.e.f 21st December, 2012.

5. Shareholders'/ Investors' Grievance Committee

a) Constitution and Composition of Shareholders' Grievance Committee:

The Shareholders'/Investors' Grievance Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of declared dividends, etc. and take necessary steps for redressal thereof. The Committee is a Board level committee under the Chairmanship of Mr. Jagdish Kumar G. Pillai, a Executive Director. During the financial year 2012-2013 no meeting of Shareholders'/Investors' Grievance Committee Meeting was held. The present composition of the Shareholders'/ Investors' Grievance Committee is as under:

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

* inducted as a member of the Committee w.e.f. 21st December 2012

- b) Mr. Milind Karnik, President & Company Secretary is the Compliance officer of the Company.
- c) During the year 2012 - 13, the Company has received 0 grievances. There were no complaints pending as at end of the year.

Received from	Received During 2012-13	Redressed during 2012-13	Pending as on 31.03.2013
SEBI	0	0	0
NSE	0	0	0
BSE	0	0	0
NSDL/CDSL	0	0	0
Direct from Investors	0	0	0
Total	0	0	0

d) Share Transfers in Physical Mode:

Shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. The Shareholders' Committee of the Company meets as often as required. There were no - transfers of shares held in physical form during the year 2012-13.

6. General Body Meetings

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

Year	Date	Venue	Time
2010	28.09.2010	ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm
2011	27.09.2011	ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm
2012	26.09.2012	ISKCON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai 400049	3.00 pm

- ii) Special Resolutions during previous three Annual General Meetings:

Financial Year	Particulars of Special Resolutions Passed
2009-2010	1. Re-appointment of Mr. K. Jayaraman as a Managing Director & CEO of the Company for a period of 3 years. 2. Amendment to the Employee Stock Option Plan, 2007 (Revised 2010).
2010-2011	1. Re-appointment of Mr. K. Jayaraman as a Managing Director & CEO of the Company as per Central Government's directions for a remaining period of 2 years. 2. Approval for waiver of excess remuneration and sitting fees paid to Mr. K. Jayaraman, Managing Director & CEO of the Company.
2011-2012	Nil

During the last three Financial Years, the Company did not hold any Extra-Ordinary General Meeting

During the financial year 2012-13, on 25th February, 2013, following resolutions were passed by way of Postal Ballot for seeking approval of members for:

- a. Ordinary Resolution under Section 293 (1)(d) of the Companies Act, 1956 for increase in the limits of the borrowing powers of the Board of Directors of the Company to Rs. 1200 Crores.
- b. Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 for powers to 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.
- c. Special Resolution for the appointment and payment of remuneration to Mr. Jagdish Kumar G. Pillai as the Managing Director and CEO of the Company with effect from December 21, 2012 under Sections 198,269,309,311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Act.

7. Disclosures:

(a) Related Party Transactions:

There are no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large except the transactions mentioned under the Section of Notes to Accounts which forms a part of the Auditors' Report for the year ended 31st March, 2013.

(b) Compliance by the Company:

There was no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

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

The Company has not established the non-mandatory requirement of Whistle Blower Policy. However, the Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee.

(d) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance Clause of Listing Agreement. The Company has not implemented the non-mandatory requirements, except the constitution of Remuneration Committee, enlisted by way of annexure to Clause 49 of the listing agreement.

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

8. CEO/CFO Certification:

As required under Section V of the clause 49 of the Listing Agreement with the Stock Exchanges, the Managing/ Whole Time Directors and Chief Financial Officer of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and other matters related to internal controls in the prescribed format for the year ended March 31, 2013.

9. Means of Communication

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

10. General Shareholders Information

a.	<i>Date, time and venue of Annual General Meeting of Shareholders</i>	July 24, 2013 at 3.00 p.m. at ISKCON's Auditorium, Hare Krishna Land, Juhu, Mumbai - 400 049.
b.	<i>Dates of book closures</i>	Thursday, 18 th July 2013 to Wednesday, 24 th July 2013 (Both days inclusive)
c.	<i>Dividend Payment</i>	Not Applicable
d.	<i>Financial Calendar</i>	The Company follows April-March as its financial year. The results for every quarter beginning from April are declared as per the listing agreement.
e.	<i>Listing on stock exchanges</i>	National Stock Exchange of India Limited (Code : HATHWAY) BSE Limited (Code : 533162) ISIN : INE 982F01028
f.	<i>Listing fees</i>	Paid for F.Y. 2013-2014 to both the stock exchanges wherein the shares of the Company are listed.
g.	<i>Registered office</i>	"Rahejas", 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai- 400 054. Tel: (022) 26001306 Fax: (022) 26001307
h.	<i>Registrar and Share Transfer agents</i>	Link Intime India Private Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 Tel : (022) 25963838 Fax : (022) 25946969
i.	<i>Share Transfer System</i>	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 clear in all respects. The Shareholders/Investor Grievance committee of the Company meets as often as required.
j.	<i>Plant Locations</i>	The Company does not have any manufacturing activities.
k.	<i>Disclosures regarding appointment or-reappointment of Directors:</i>	Pursuant to provisions of Sections 255 & 256 of the Companies Act, 1956, Mr. Vinayak Aggarwal, Mr. Sridhar Gorthi and Mr. Devendra Shrotri retire by rotation in the forthcoming Annual General Meeting. The detailed resume of the Directors proposed to be re-appointed is provided in the Notice of the Annual General Meeting. The Board has recommended the re-appointment of the said Directors to the Shareholders.

I. Stock Market price data

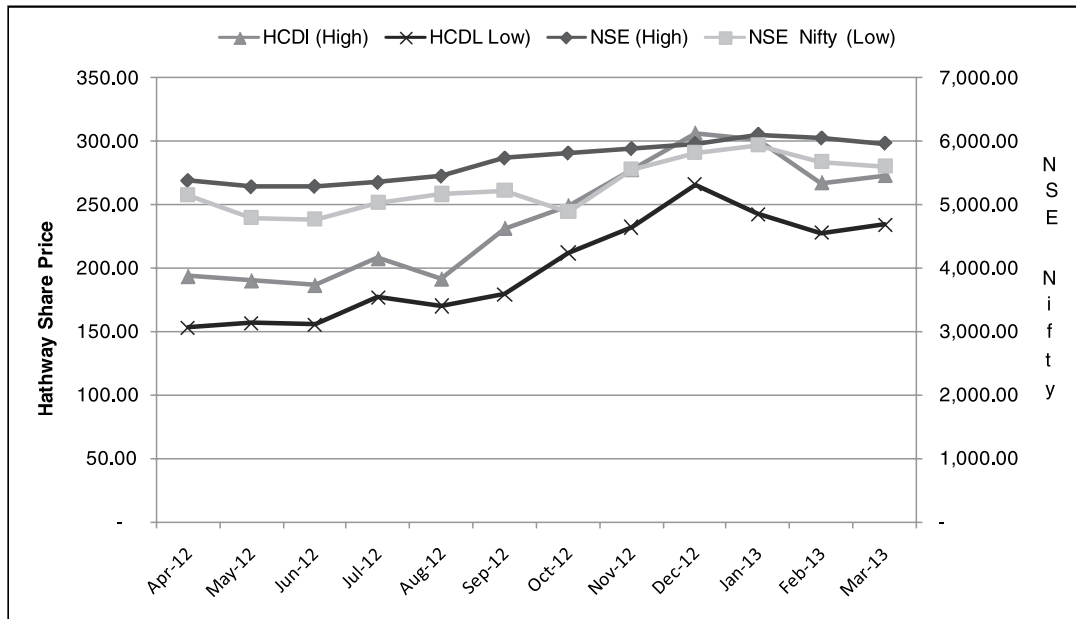
National Stock Exchange of India Limited

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 2013 is given below:

Month	NSE Nifty (High)	NSE Nifty (Low)	HCDL (High)	HCDL (Low)
Apr-2012	5,378.75	5,154.30	193.90	153.00
May-2012	5,279.60	4,788.95	190.50	156.75
Jun-2012	5,286.25	4,770.35	186.90	155.00
Jul-2012	5,348.55	5,032.40	208.00	177.00
Aug-2012	5,448.60	5,164.65	191.90	170.30
Sep-2012	5,735.15	5,215.70	231.85	179.00
Oct-2012	5,815.35	4,888.20	249.65	212.00
Nov-2012	5,885.25	5,548.35	278.10	232.10
Dec-2012	5,965.15	5,823.15	306.80	266.00
Jan-2013	6,111.80	5,935.20	302.10	242.65
Feb-2013	6,052.95	5,671.90	267.80	227.80
Mar-2013	5,971.20	5,604.85	273.50	234.30

Performance in comparison to NSE Nifty:

Monthly High-Low Share Price/NSE NIFTY



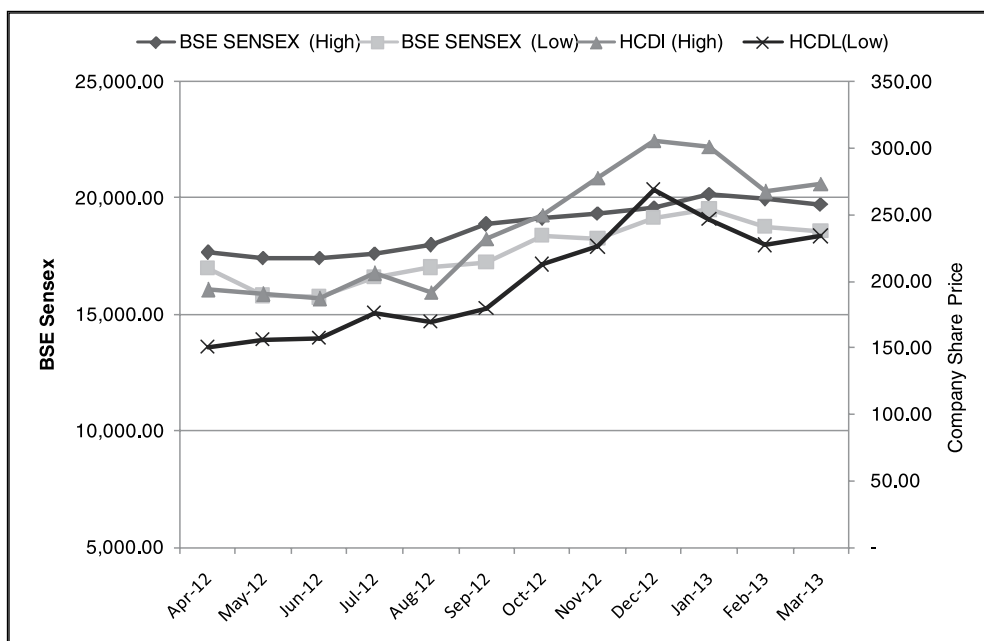
BSE Limited

Monthly High and Low of Closing prices of the Company's Equity Shares traded at BSE Limited for the financial year ended 31st March 2013 is given below:

<i>Month</i>	<i>BSE SENSEX (High)</i>	<i>BSE SENSEX (Low)</i>	<i>HCDL (High)</i>	<i>HCDL (Low)</i>
Apr-2012	17,664.10	17,010.16	193.50	150.35
May-2012	17,432.33	15,809.71	190.40	156.55
Jun-2012	17,448.48	15,748.98	186.90	157.10
Jul-2012	17,631.19	16,598.48	206.00	176.00
Aug-2012	17,972.54	17,026.97	191.90	169.50
Sep-2012	18,869.94	17,250.80	232.00	180.00
Oct-2012	19,137.29	18,393.42	249.75	212.70
Nov-2012	19,372.70	18,255.69	278.00	226.00
Dec-2012	19,612.18	19,149.03	306.00	269.25
Jan-2013	20,203.66	19,508.93	301.70	246.50
Feb-2013	19,966.69	18,793.97	267.50	227.05
Mar-2013	19,754.66	18,568.43	273.20	234.05

Performance in comparison to BSE Sensex:

Monthly High-Low Share Price/BSE SENSEX



I. a) *Distribution of Shareholding:*

Range (in Rs.)	No. of Shareholders	% of Shareholders	No of Shares	% of Total Shares
1 - 5,000	9,516	93.43	78,61,790	0.55
5,001 - 10,000	236	2.32	19,13,080	0.13
10,001 - 20,000	127	1.25	18,99,080	0.13
20,001 - 30,000	47	0.46	11,96,210	0.08
30,001 - 40,000	36	0.35	12,90,300	0.09
40,001 - 50,000	30	0.29	14,31,320	0.10
50,001 - 1,00,000	51	0.50	39,35,320	0.28
1,00,001 & above	143	1.40	1,41,22,04,900	98.64
Total	10,186	100.00	1,43,17,32,000	100.00

b) *Category wise Distribution Schedule as on 31st March 2013*

Sr. No.	Category	No. of Shares held	%
1.	Promoters	4,81,93,200	33.66
2.	Corporate Bodies (Promoter Companies)	2,26,14,003	15.79
3.	Clearing Members	2,31,013	0.16
4.	Other Bodies Corporate	47,54,079	3.32
5.	Foreign Company	68,61,281	4.79
6.	Financial Institutions	6,40,464	0.45
7.	Foreign Institutional Investor	3,34,52,903	23.37
8.	Mutual Funds	2,06,18,203	14.41
9.	Nationalised Banks	1,340	0.00
10.	Non Resident Indians	28,377	0.02
11.	Non Resident Indians (Non Repatriable)	35,344	0.02
12.	Office Bearers	42,000	0.03
13.	Public	34,33,616	2.40
14.	Directors and Relatives of Director	22,67,377	1.58
	Total	14,31,73,200	100.00

m. *Address for correspondence*

For general Correspondence

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

*For matters related to Share transfers
Dematerialization, etc.*

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

n. *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 INE982F01028

As on 31st March 2013, except three equity shares all the shares have been held in dematerialized form.

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

- p. Details as per clause 5A of Listing Agreement

Table (Clause 5A of the Listing Agreement)

Unclaimed Shares as on 1st April, 2012		Details of Shareholders approached during the FY 2012-13 for claiming of shares		Details of Shareholders to whom the shares have been transferred during the FY 2012-13		Unclaimed Shares as on 31st March, 2013	
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
13	1,300	02	425	02	425	11	875

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

Request to investors:

- Investors are requested to communicate change of address, if any, directly to the share transfer agent of the Company at the above address.
- As required by SEBI, investors shall furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.
- The shareholders are requested to dematerialize their physical share certificates, through a depository participant. Shareholders requiring any further clarification / assistance on the subject may contact the Company's share transfer agent.
- Investors who have not availed nomination facility are requested to avail the same by submitting the nomination form. The form will be made available on request.
- Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number etc.
- Investors are requested to kindly note that any dividend which remains unencashed for a period of seven years will be transferred to "Investors Education and Protection Fund" in terms of Section 205C of the Companies Act, 1956.
- Ministry of Corporate Affairs (MCA) vide Circular bearing Nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011 respectively has taken steps towards "Green Initiative", by allowing paperless compliances by serving documents through electronic mode (e-mail) by companies to its shareholders. As an enlightened corporate citizen, going forward we propose to send all future shareholders' communications like Notices, Company's Annual Report etc. through electronic mode. This will also ensure prompt receipt of communication avoid loss in postal transit and saving of huge cost incurred in printing and postage.

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

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

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

h) CODE OF CONDUCT DECLARATION

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

Jagdish Kumar G. Pillai
Managing Director & CEO

Place: Mumbai
Date: 29th May 2013

To

The Members of
HATHWAY CABLE AND DATACOM LIMITED

Corporate Governance Certificate

We have examined the compliance of conditions of Corporate Governance by **HATHWAY CABLE AND DATACOM LIMITED** ("Company") for the financial year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

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

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has in all material respect complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For RATHI & ASSOCIATES,
COMPANY SECRETARIES**

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

Date: 29th May, 2013
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of HATHWAY CABLE & DATACOM LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of HATHWAY CABLE & DATACOM LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

- (a) Note no. 4.20 to the accounts in respect of the application to Central Government for approval of managing director's remuneration provided in the books which is in excess of the limits specified under the Schedule XIII to the Act for which application is pending before the Central Government; and
- (b) Note no. 4.22 to the accounts relating to basis of recognition of income in view of introduction of Digital Addressable System (DAS) by the Central Government in the metropolitan cities. In view of the prevailing circumstances, as explained in the said note, the Company has estimated its income from its networks located in these cities.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
- 2. As required by section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act; and
- (e) On the basis of written representations received from the directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For G.M.Kapadia & Co.
Chartered Accountants
Firm's Registration Number : 104767W

Atul Shah
Partner
Membership Number : 39569

Mumbai
Date : May 29, 2013

ANNEXURE TO THE AUDITORS' REPORT

- (i) (a) The Company has maintained records of fixed assets showing particulars of assets including quantitative details and location, except the following:
- location-wise particulars of some of the Distribution Equipments like cabling and other line equipments. As explained to us, nature of such assets is such that maintaining location-wise particulars is impractical; and
 - *location-wise particulars of Access Devices with the subscribers.*
- (b) Fixed assets were physically verified during the year, except the Access Devices with the subscribers / local cable operators. Distribution Equipments like cabling and other line equipments of selected net works were verified. We were informed that the management plans to verify other networks also in a phased manner.
- The Company has initiated the process of reconciliation of book records with physical verification. *However, in absence of updated location-wise particulars of certain assets, actual discrepancies, if any, are yet to be ascertained.*
- In our opinion, frequency and procedure for verification of Distribution Equipments, Access Devices and certain Head-end Equipments under control of local cable operators and subsequent reconciliation with book records need to be strengthened.*
- (c) During the year, the Company has not disposed off any substantial part of fixed assets.
- (ii) (a) The inventories have been physically verified by the management during the year.
- (b) In our opinion and according to the information and explanation given to us, the frequency of verification and procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of such inventory. We have been informed that no material discrepancies were noticed on physical verification between the stocks and the book records.
- (iii) (a) The Company has granted unsecured loans to two companies covered in the register maintained under section 301 of the Act. These loans are interest free except loan to the extent of Rs.60,000,000 granted to one company. The maximum amount involved in such transactions during the year was Rs. 272,072,522 and the balance at the end of the year was Rs. 223,768,928.
- (b) In our opinion and according to the information and explanations given to us, the terms and conditions of above loans are not prima facie prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us, no repayment schedule has been specified except that the said loans are not repayable within a period of 12 months. The Company has not called for refund of such loans.
- Accordingly, the question of regularity in repayment of principal amount and interest thereon, wherever applicable, does not arise.
- (d) As stated above there are no overdue amounts in excess of Rs. One lakh.
- (e) The Company has not taken any loans secured or unsecured from companies, firms or other parties covered in to the register maintained under section 301 of the Act. In view of the same, sub-clauses (f) to (g) of the clause (iii) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system with regards to purchases of the inventory and fixed assets and sale of goods and services. The management is in process of further strengthening the internal controls over documentation in certain areas so as to make it commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any other area of continuing failure to correct major weakness in internal controls *except internal controls relating to revenue recognition to the extent it relates to identification / registration of ultimate subscribers.*
- (v) (a) On perusal of the information available with the Company and based on explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act for the year that needs to be entered into the register maintained under that section have been so entered.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding Rs.

Five lakhs have been made at a prices which are reasonable having regard to prevailing market prices at the relevant time to the extent the same are available with the Company and / or in accordance with the approvals granted by the Central Government, wherever applicable.

- (vi) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A, 58AA or any other relevant provisions of the Act and Rules framed there under are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- (viii) The Central Government has prescribed maintenance of cost records under section 209(1)(d) of the Act in respect of certain service activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained subject to our comments as stated above. We have not, however, made a detailed examination of the same.
- (ix) (a) Based on the records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues such as Provident Fund, Income Tax, Custom Duty and other material statutory dues wherever applicable. According to the information and explanations given to us, there are no arrears of undisputed statutory dues outstanding for a period of more than six months from the date on which they became payable.
- (b) The details of disputed statutory dues, that have not been deposited by the Company are as under:

Sr. No.	Name of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount
1	Bombay Sales Tax Act, 1959	Sales Tax	Assistant Comm. of Sales Tax, Appeals	1999-2000	70,979
2	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Andhra Pradesh High Court	May 2005 to June 2006	5,813,760
3	Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax & Penalty thereon	Sales Tax Appellate Tribunal, Andhra Pradesh.	April 2005 to November 2008	528,521 52,852
4	Karnataka Sales Tax Act, 1957	Sales Tax and interest	Deputy Commissioner of Commercial Tax, Bangalore	April 2000 to November 2009	54,406,240
5	Karnataka Entertainment Tax Act, 1958	Entertainment Tax	Karnataka High Court	April 2006 to March 2013	51,378,500*
6	Income Tax Act, 1961	Tax deducted at source & interest thereon	Commissioner of Income Tax (Appeals)	April 2000 to March 2004	39,896,066
7	Bombay Entertainments Duty Act, 1923	Entertainment Tax & penalty thereon	Collector Office, Thane	June 2006 to May 2007	8,865,450
8	Bombay Entertainments Duty Act, 1923	Entertainment Tax	Court of Divisional Commissioner, Aurangabad division	May 2009 to October 2010	79,192,049
9	The Maharashtra Value Added Tax Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax	April 2008 to March 2009	946,104
10	The Central Sales Tax Act, 1958	Central Sale Tax	Joint Commissioner of Sales Tax	April 2008 to March 2009	8,353,894

*Amount paid under protest is Rs. 64,31,950.

- (x) The accumulated losses at the end of the financial year are not in excess of fifty percent of Net Worth of the Company. The Company has neither incurred cash losses during the financial year covered by our audit nor in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
- (xii) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) The Company is not a chit fund or a nidhi /mutual benefit fund / society and hence clause 4(xiii) of the Order relating to such entities is not applicable to the Company.
- (xiv) The Company has maintained proper records of transactions and contracts in respect of it's dealing in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name except certain government securities, which are deposited with revenue authorities as part of registration formalities. Such securities are held in the name of the officials or *ex-officials* of the Company.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiaries from a bank and others, the terms and conditions whereof, as explained to us, are not prima facie prejudicial to the interest of the Company.
- (xvi) Based on information and explanation given to us and based on overall review of the funds utilization, we are of the view that the Company has generally utilized funds for which they were obtained. However, pending such utilization these funds have been temporarily utilized to reduce the short-term borrowings.
- (xvii) According to the information and explanations given to us and on overall examination of the financial statements of the Company, we are of the opinion that, the funds raised on short-term basis have generally not been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Act during the year, accordingly, the question of whether the price at which shares have been issued is prejudicial to the interest of the Company does not arise.
- (xix) The Company has not issued any secured debentures hence the question of creation of securities does not arise.
- (xx) We have verified the end use of money raised by public issue and the same is as disclosed in note no. 4.21 to the accounts.
- (xxi) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit except cases of misappropriation of cash collection from the subscribers and fraudulent withdrawals of funds by employees aggregating to Rs.13,64,081 of which Rs. 23,599 have been recovered by the Company.

For G.M.Kapadia & Co.
Chartered Accountants
Firm's Registration Number : 104767W

Atul Shah
Partner
Membership Number : 39569

Mumbai
Date : May 29, 2013

Balance Sheet As At March 31, 2013

	Notes	As at March 31,	
		2013 Rupees	2012 Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.01	1,431,732,000	1,429,051,000
Reserves and Surplus	2.02	6,582,076,893	6,513,317,827
Non-Current Liabilities			
Long-Term Borrowings	2.03	4,772,973,607	2,178,478,888
Other Long-Term Liabilities	2.04	98,877,672	136,983,425
Current Liabilities			
Short-Term Borrowings	2.05	399,581,044	10,639,278
Trade Payables	2.06	689,272,241	515,508,596
Other Current Liabilities	2.06	4,584,080,867	1,868,769,140
Short-Term Provisions	2.07	57,813,234	48,172,298
		18,616,407,558	12,700,920,452
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.08	8,092,315,971	4,893,159,259
Intangible Assets	2.09	870,161,470	604,386,008
Capital Work In Progress	2.08	1,988,239,100	951,484,037
Non-Current Investments	2.10	3,128,011,458	2,765,839,733
Deferred Tax Assets (Net)	2.11	-	-
Trade Receivables	2.12	124,456,109	129,224,654
Long-Term Loans and Advances	2.13	794,509,379	610,055,207
Other Non-Current Assets	2.14	272,099,953	148,878,115
Current Assets			
Current Investments	2.15	-	101,674,427
Inventories	2.16	15,051,743	10,714,985
Trade Receivables	2.12	2,051,416,178	1,354,732,195
Cash and Bank Balances	2.17	106,728,241	560,375,212
Short-Term Loans & Advances	2.13	1,088,061,647	563,121,747
Other Current Assets	2.14	85,356,309	7,274,873
		18,616,407,558	12,700,920,452
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(ATUL SHAH)
 Partner

(GANAPATHY SUBRAMANIAM)
 Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
 Managing Director & C.E.O

(MILIND KARNIK)
 President & Company Secretary

(VINAYAK AGGARWAL)
 Director

Mumbai
 Dated : May 29, 2013

Mumbai
 Dated : May 29, 2013

Statement of Profit and Loss for the Year Ended March 31, 2013

	Notes	As at March 31,	
		2013 Rupees	2012 Rupees
INCOME			
Revenue from Operations	3.01	6,543,198,630	5,137,013,057
Other Income	3.02	136,339,432	150,036,209
		6,679,538,062	5,287,049,266
EXPENDITURE			
Purchase of Stock-In-Trade	3.03	109,867,428	98,082,310
Operational Expenses	3.04	2,952,864,929	2,579,809,543
Employee Benefits Expense	3.05	422,099,312	380,297,897
Other Expenses	3.06	1,373,038,665	1,216,924,774
		4,857,870,334	4,275,114,524
Earnings before Finance cost, Depreciation, Amortization and Tax		1,821,667,728	1,011,934,742
Depreciation and Amortization	3.07	1,189,066,695	1,031,405,240
Impairment of Tangible / Intangible Assets		38,072,234	33,997,179
Finance Cost	3.08	461,422,448	408,532,104
Profit / (Loss) before Prior Period Items, Exceptional items and Tax		133,106,351	(461,999,781)
Prior Period Expenses (Net)	4.08	7,649,710	11,121,307
Exceptional Items	3.09	93,486,727	43,612,262
Net Profit / (Loss) before Tax		31,969,914	(516,733,350)
Tax Expense:			
Current Tax		-	-
Deferred Tax	2.11	-	-
Net Profit / (Loss) for the Year from Continuing Operations		31,969,914	(516,733,350)
Earnings per equity share (nominal value of share Rs. 10 each) from Continuing and Total operation	4.15		
Weighted Average Number of Shares - Basic		143,173,200	142,857,100
Earning / (Loss) Per Share (In Rs.) - Basic		0.22	(3.62)
Weighted Average Number of Shares - Diluted		143,248,990	142,857,100
Earning / (Loss) Per Share (In Rs.) - Diluted		0.22	(3.62)
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & C.E.O

(MILIND KARNIK)
President & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai

Dated : May 29, 2013

Mumbai

Dated : May 29, 2013

Cash Flow Statement for the year ended March 31, 2013

		Year ended March 31, 2013		Year ended March 31, 2012	
		Rupees	Rupees	Rupees	Rupees
1	CASH FLOW FROM OPERATING ACTIVITIES:				
	NET PROFIT / (LOSS) BEFORE TAX & PRIOR PERIOD ADJUSTMENTS		31,969,914		(516,733,350)
	A Adjustment for :				
	Depreciation & Amortization	1,189,066,695		1,031,405,240	
	Impairment of Tangible / Intangible Assets	38,072,234		33,997,179	
	Loss on Shortages / Impairment of Tangible Assets of Tamilnadu	-		104,333,068	
	Sundry Balance Write-back for Previous Year for Tamilnadu	-		(10,444,370)	
	Amount No Longer Payable Written Back	(17,951,175)		(24,201,398)	
	Provision for Bad & Doubtful Debts (Net)	381,809,330		319,943,445	
	Provision for Bad & Doubtful Advances	6,755,426		15,239,449	
	Provision for leave encashment and gratuity	9,640,936		1,809,722	
	Employee Compensation Expense	2,944,622		725,448	
	Unrealized foreign exchange loss	(2,634,046)		54,546,192	
	Provision for Doubtful Advances / Investments / Receivables from Entities Under Control / Significant Influence	46,634,248		8,502,036	
	Reversal of provision for Diminution on Investment	-		(62,819,311)	
	Provision for Entertainment Tax of earlier years	48,278,280		-	
	Reversal of Interest for FY 2011-12 pursuant to MCA Circular dated August 9, 2012	(51,461,260)		-	
	(Profit) / loss on sale of Fixed Assets	38,899,244		37,545,877	
	Interest and Finance Charges	358,016,742		408,532,104	
	Income from Investments	(37,855,329)		(40,742,388)	
	(Profit) / loss on sale of Investments	(33,100,353)		(75,859,338)	
			1,977,115,594		1,802,512,955
	Operating Profit Before Working Capital		2,009,085,507		1,285,779,605
	B Change in Working Capital				
	(Increase) / Decrease in Inventories	(4,336,758)		8,087,232	
	(Increase) / Decrease in Trade Receivables	(1,073,724,768)		(191,954,070)	
	(Increase) / Decrease in Loans & Advances	(781,444,123)		6,665,897	
	Increase / (Decrease) in Liabilities & Provisions	294,859,910		(78,469,481)	
			(1,564,645,739)		(255,670,422)
	Cash Generated from Operations		444,439,768		1,030,109,183
	Taxes paid (Net)		(86,561,457)		2,351,346
	Net Cash from Operation Activities		357,878,311		1,032,460,529
2	CASH FLOW FROM INVESTING ACTIVITIES:				
	Income from Investments	36,248,021		40,742,388	
	Sale Proceeds of Fixed assets	2,831,137		2,866,026	
	Payment for Fixed Assets	(3,594,872,713)		(1,461,133,915)	
	Loans & Advance in Subsidiaries (Net)	(12,056,123)		(95,334,663)	
	Investment in Subsidiaries	(327,171,726)		820,945	
	Purchase of Other Investments	(1,173,256,963)		(5,972,513,651)	
	Sale Proceeds of Other Investments	1,273,031,742		7,047,067,476	
	Net cash flow from/ (used in) Investing activity		(3,795,246,627)		(437,485,395)

		Year ended March 31, 2013		Year ended March 31, 2012	
		Rupees	Rupees	Rupees	Rupees
3	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>				
	Interest and Finance Charges	(338,201,888)		(408,859,288)	
	Issue of Share Capital (Including Premium)	37,005,530		-	
	Preference Shares redeemed	(480,000)		-	
	Long term Loan borrowed	3,585,077,593		1,365,028,723	
	Long term Loan repaid	(755,296,083)		(1,710,115,297)	
	Short Term Borrowings (Net)	388,941,766		(99,360,722)	
	Net cash flow from/ (used in) Financing activity		2,917,046,918		(853,306,584)
	Net increase in Cash and Cash equivalent		(520,321,397)		(258,331,451)
	Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year		627,049,638		885,381,089
	Cash & Cash equivalents (Net of Book Overdraft) at the end of year		106,728,241		627,049,638
Components of cash and cash equivalents					
Balances with banks:					
	In Current Accounts		6,978,251		54,543,450
	Fixed Deposits with original maturity of less than 3 months		-		500,000,000
	Cash in hand		99,749,990		5,831,762
	Mutual funds with original maturity of less than 3 months		-		66,674,426
	Total cash and cash equivalents		106,728,241		627,049,638

Note:

1) Above Statement has been prepared by using Indirect method as per AS-3 on Cash Flow Statements.

As per our report of even date

For and on behalf of the Board

For G. M. Kapadia & Co.
Chartered Accountants

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & C.E.O

(MILIND KARNIK)
President & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai
Dated : May 29, 2013

Mumbai
Dated : May 29, 2013

Significant accounting policies and notes on accounts

Company overview

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

1.00 Summary of significant accounting policies

1.01 METHOD OF ACCOUNTING AND BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) vide Companies (Accounting Standards) Rules, 2006 and the other relevant provisions of the Companies Act, 1956.

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

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

1.02 USE OF ESTIMATES

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

1.03 FIXED ASSETS

a) Tangible Assets

- (i) The fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, non refundable taxes and all expenses incurred in bringing the assets to its present location and condition for its intended use and includes installation and commissioning expenses. Such indirect expenditure incurred during the pre-commencement period is allocated proportionately over the cost of the relevant assets.
- (ii) Set Top Boxes (STBs) and Internet Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalized or treated as sale as the case may be.
- (iii) Gains or losses arising from de-recognition of fixed assets being the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.
- (iv) Fixed Assets not in active use and held for sale are classified under "Other Current Assets" and are recognised at the lower of their carrying amount or market value less cost to sell

b) Intangible Assets

- (i) Intangible assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortization and impairment losses.
- (ii) The amortization period and the amortization method are reviewed at least at each financial year-end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.
- (iii) Intangible assets comprises of Cable Television Franchise, Movie & Serial Rights, Bandwidth Rights, Goodwill and Softwares.
- (iv) Cable Television Franchisee represents purchase consideration of a network that mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.

1.04 DEPRECIATION / AMORTISATION

- a) Depreciation on tangible fixed assets, except STBs, is computed on written down value method, at the rates prescribed in Schedule XIV to the Companies Act, 1956. In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- b) The cost are depreciated on straight-line method over a period of eight years except STBs deployed in Conditional Access System (CAS) notified areas. Such STBs are depreciated over a period of five years.

- c) The intangible assets are amortized on a straight line basis over their expected useful lives as follows:
 - (i) Cable Television Franchise is amortized over a period of twenty years.
 - (ii) Non Compete Fees classified as Goodwill is amortized over the non-compete period stated in the underlying agreements and in absence of the same, over ten years.
 - (iii) Goodwill arising on transfer of business from subsidiaries is fully amortized in the same year.
 - (iv) Goodwill other than mentioned above is amortized over the specific tenor of the relevant agreement and in absence of such tenor, over ten years.
 - (v) Softwares are amortized over the license period and in absence of such tenor, over five years.
 - (vi) Movie Rights are amortized on exploitation over the balance license period in equal installments.
 - (vii) Bandwidth Rights are amortized over the period of the underlying agreements.

1.05 INVESTMENTS

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

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

a) Long-Term Investments

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

b) Current Investments

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

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

1.06 INVENTORIES

Inventories are valued as follows:

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

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

1.07 BORROWING COSTS

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

1.08 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

1.09 EMPLOYEE BENEFITS

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit & loss of the year in which the related service is rendered.
- b) Post employment and other long term employee benefits viz., gratuity, leave encashment, etc., are covered under Defined Benefit Plan. The cost of providing benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The amount of expense is determined on the basis actuarial valuation at each year-end by Projected Unit Credit Method. Actuarial gains and losses in respect of post employment and other long term benefits are

charged to the statement of profit and loss in the period in which they occur. The Company presents the entire liability pertaining to leave encashment as a short term provision in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

1.10 EMPLOYEE STOCK OPTION SCHEME

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

1.11 ACCOUNTING FOR LEASES

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

a) **As Lessee – Operating Lease**

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

b) **As Lessor – Operating Lease**

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

c) **As Lessee – Finance Lease**

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

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

1.12 REVENUE RECOGNITION

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

INCOME FROM SERVICES

- a) Subscription income includes subscription from Subscribers / Cable Operators relating to cable TV, Internet, activation of devices and from broadcasters relating to the placement of channels. Revenue from Operations is recognized on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties except to the extent stated against (d) hereunder.
- b) Revenue from prepaid Internet Service plans, which are active at the end of accounting period, is recognized on time proportion basis. In other cases of prepaid Internet Service plans, entire revenue is recognized in the year of sale.
- c) The revenue relating to Conditional Access System (CAS), which was in force in certain part of Mumbai and Delhi till introduction of Digital Addressable System (DAS) is governed by TRAI and the same is recognized in accordance with prescribed regulations.
- d) Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the Company. In cases where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Company 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.
- e) Advertisement revenue is accrued on release of the advertisement for public viewing.
- f) The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

SALE OF GOODS

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

OTHER OPERATING INCOME

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

INTEREST INCOME

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

1.13 TAXATION

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

1.14 FOREIGN CURRENCY TRANSACTIONS

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

1.15 EARNINGS PER SHARE (EPS)

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

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

1.16 IMPAIRMENT

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

1.17 MEASUREMENT OF EBITDA

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

1.18 CASH AND CASH EQUIVALENTS

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

NOTES TO THE FINANCIAL STATEMENTS

2.01 SHARE CAPITAL	As at March 31,	
	2013 Rupees	2012 Rupees
SHARE CAPITAL		
Authorised Capital		
199,800,000 (March 31, 2012: 199,800,000) Equity Shares of Rs. 10 (10) each	1,998,000,000	1,998,000,000
200,000 (March 31, 2012: 200,000) Non- Cumulative Redeemable Preference Shares of Rs. 10 (10) each	2,000,000	2,000,000
	2,000,000,000	2,000,000,000
Issued, Subscribed and Paid up Capital		
143,173,200 (March 31, 2012: 142,857,100) Equity Shares of Rs. 10(10) each fully paid-up	1,431,732,000	1,428,571,000
Nil (March 31, 2012: 48,000) 0% Non-cumulative Redeemable Preference Shares of Rs. 10(10) each fully paid-up	-	480,000
	1,431,732,000	1,429,051,000

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

	As at March 31,			
	2013		2012	
	Number	Amount	Number	Amount
<u>Equity Shares of Rs.10 each</u>				
Shares Outstanding at the beginning of the year	142,857,100	1,428,571,000	142,857,100	1,428,571,000
Shares Issued during the year under ESOP	316,100	3,161,000	-	-
Shares Bought back/ Other movements during the year	-	-	-	-
Shares Outstanding at the end of the year	143,173,200	1,431,732,000	142,857,100	1,428,571,000
<u>0% Non-Cumulative Redeemable Preference Shares of Rs. 10 each</u>				
Shares Outstanding at the beginning of the year	48,000	480,000	48,000	480,000
Shares Issued during the year	-	-	-	-
Shares Redeemed during the year	48,000	480,000	-	-
Shares Outstanding at the end of the year	-	-	48,000	480,000

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

	As at March 31,	
	2013	2012
	No. of Shares	No. of Shares
<u>Bonus Shares</u>		
Equity shares of Rs. 10 each allotted as fully paid bonus shares by capitalisation of Securities Premium Account in the year 2009-2010	74,236,874	74,236,874
	74,236,874	74,236,874
<u>Shares allotted for consideration other than cash</u>		
0% Non-Cumulative Redeemable Preference shares of Rs. 10 each allotted pursuant of contract(s) without payment received in cash pursuant to Scheme of Demerger in the year 2006-2007	-	48,000
	-	48,000

NOTES TO THE FINANCIAL STATEMENTS

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

	As at March 31,			
	2013		2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<u>Equity Shares of Rs. 10 each</u>				
Mr. Akshay Raheja	24,282,600	16.96	24,282,600	17.00
Mr. Viren Raheja	23,910,600	16.70	23,910,600	16.74
Hathway Investments Private Limited	14,964,003	10.45	14,964,003	10.47
Providence Equity Advisors Mauritius Limited	14,143,552	9.88	14,143,552	9.90
Macquarie Bank Limited	10,556,644	7.37	10,556,644	7.39
Reliance Capital Trustee Co. Limited	12,145,942	8.48	9,995,556	7.00
Spur Cable and Datacom Private Limited	7,650,000	5.34	7,650,000	5.36
<u>0% Non-Cumulative Redeemable Preference Shares of Rs. 10 each</u>				
Hathway Cabletech Services Private Limited	-	-	48,000	100.00

d) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

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

Terms of Conversion/ Redemption/ Rights attached to Preference Shares

0% Non-cumulative Preference shares of Rs.10 each were redeemable on or before December 12, 2012 at the option of the Board of Directors of the issuer Company and the Preference Shareholders by giving one week's notice to either party. The same were redeemed on November 30, 2012.

e) Shares reserved for issue under options

265,299 number of equity shares (as at March 31, 2012 : 620,199 equity shares) of Rs.10 each towards outstanding employees stock option granted/ available for grant. Refer Note 4.07

2.02 RESERVES & SURPLUS	As at March 31,	
	2013 Rupees	2012 Rupees
Securities Premium		
Balances as at the beginning of the year	11,999,692,444	11,999,692,444
Add: Securities premium credited on Share issue	48,884,946	-
Less: Deduction during the year	-	-
Balances as at the end of the year	12,048,577,390	11,999,692,444
Employee Stock Options Outstanding Account		
Balances as at the beginning of the year	24,882,613	24,157,165
Add: Compensation for options during the year (net)	2,944,622	725,448
Less: Deduction during the year	15,040,416	-
Balances as at the end of the year	12,786,819	24,882,613
Surplus/ (Deficit) In the Statement of Profit and Loss		
Balance at the beginning of the year	(5,511,257,230)	(4,994,523,880)
Add : Net Profit/ (Loss) for the year	31,969,914	(516,733,350)
Less : Appropriations	-	-
Deficit in the Statement of Profit and Loss	(5,479,287,316)	(5,511,257,230)
	6,582,076,893	6,513,317,827

NOTES TO THE FINANCIAL STATEMENTS

2.03 LONG TERM BORROWINGS	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Term Loans				
Secured				
From Banks	283,333,330	404,500,000	326,666,670	216,500,000
From Financial Institutions	130,350,000	399,450,000	269,100,000	250,200,000
From Others	1,798,660,698	92,857,130	44,196,432	28,571,432
External Commercial Borrowings				
Secured	-	7,631,625	8,154,750	30,526,500
Buyers Credit				
Secured	2,002,759,871	874,962,834	413,616,996	87,839,241
Deferred payment liabilities				
Secured	-	291,136,607	815,951,921	271,646,482
Finance Lease Obligations				
Secured	557,869,708	107,761,917	70,002,199	81,053,708
Vehicle Loans from Banks				
Secured	-	178,775	180,716	466,032
	4,772,973,607	2,178,478,888	1,947,869,684	966,803,395
Amount disclosed under the head 'Other Current Liabilities' (Note No. 2.06)				
- Current maturities of Long-Term Debts			1,877,867,485	885,749,687
- Current maturities of Finance Lease Obligations			70,002,199	81,053,708
Net Amount	4,772,973,607	2,178,478,888	-	-
The above amount includes				
Aggregate amount of Secured Borrowings	4,772,973,607	2,178,478,888		

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

	<u>Nature of Security</u>	<u>Terms of Repayment</u>
i	Term Loan from Banks	
a)	Terms loan from Yes Bank Ltd. amounting to Rs. 375,000,000 (March 31, 2012: Rs. 226,000,000) are secured by, 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company. 3) undertaking given by promoters of the Company for non-disposal of their shareholding in the Company so long as Term Loan is outstanding.	Principal amount repayable in 12 equal quarterly installments of Rs.41,666,667 with 1st installment starting from September 30, 2012. Interest is payable on monthly basis. Applicable rate of interest is Yes Bank Base Rate + 3.25%.
b)	Terms loan from ICICI Bank Ltd. amounting to Rs. 60,000,000 (March 31, 2012: Rs.120,000,000) are secured by pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	Principal amount repayable in 20 equal quarterly installments of Rs.15,000,000 starting from the end of 5th quarter (May 24, 2009). Interest is payable on monthly basis. Applicable rate of interest is ICICI Bank Benchmark advance rate - 4.05%.
c)	Terms loan from Bank of India Ltd. amounting to Rs. 175,000,000 (March 31, 2012: Rs.275,000,000) are secured by, 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company.	Principal amount repayable in 20 equal quarterly installments of Rs.25,000,000 with 1st installment starting from March 12, 2010. Interest is payable on monthly basis. Applicable rate of interest is Bank of India Base rate + 4.5%.

NOTES TO THE FINANCIAL STATEMENTS

	<p>d) Terms loan from HDFC Bank Ltd. amounting to Rs. NIL Sanctioned Amount Rs. 600,000,000 (March 31, 2012: Rs.NIL) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company. 	Principal amount repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown. Interest is payable on monthly basis. Applicable rate of interest is HDFC Bank Base rate + 2.55%.
ii	<p><u>Term Loan from Financial Institutions</u></p> <p>a) Terms loan from IDFC Ltd. amounting to Rs.180,700,000 (March 31, 2012: Rs. 305,900,000) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature. 4) First charge on the uncalled capital of the company. 5) Lien on 3,500,000 (March 31, 2012: 3,500,000) units of IDFC Fixed Term Plan Series 13- Regular Plan- Growth (March 31, 2012 IDFC Fixed Maturity Plan Yearly Series 63) <p>b) Terms loan from IDFC Ltd. amounting to Rs. 218,750,000 (March 31, 2012: Rs. 343,750,000) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature. 4) First charge on the uncalled capital of the company. 5) Lien on Fixed Deposits with Bank of Rs. 27,000,000 (March 31, 2012: Rs. 27,000,000) 	<p>Principal amount repayable in 20 quarterly installments commencing at the end of 12 months from the date of first disbursement (August 15, 2009). Installment amount for 1st, 2nd, 3rd year, 4th year and 5th year is Rs.6,250,000, Rs.18,800,000, Rs.31,300,000, Rs.31,300,000 and Rs.37,600,000 respectively and last installment amount is Rs.36,600,000. Interest is payable on monthly basis. Applicable rate of interest is 1 year IDFC Benchmark rate + 3.25% (March 31, 2012: 1 year IDFC Benchmark rate + 3.25%)..</p> <p>Principal amount repayable in 16 equal quarterly installments of Rs. 31,250,000 each commencing at the end of 12 months from the date of first disbursement (March 15, 2011). Interest is payable on monthly basis at 1 year IDFC Benchmark rate + 3.25% (March 31, 2012: 1 year IDFC Benchmark rate + 3.50%).</p>
iii	<p><u>Term Loan from others</u></p> <p>a) Terms loan from HDFC Ltd. amounting to Rs. 92,857,130 (March 31, 2012: Rs.121,428,562) are secured by, pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.</p> <p>b) Terms loan from HDFC Ltd. amounting to Rs. 1,250,000,000 (March 31, 2012: Rs.Nil) (Sanctioned Amount Rs. 1,500,000,000) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. <p>c) Terms loan from GE Money Financial Services Pvt. Ltd. amounting to Rs. 500,000,000 (March 31, 2012: Rs.Nil) (Sanctioned Amount Rs. 1,000,000,000) are secured by,</p> <ol style="list-style-type: none"> 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company. 	<p>Principal amount repayable in 28 equal quarterly installments of Rs.7,142,858 commencing from September 30, 2009. Interest is payable on monthly basis. Applicable Interest rate is HDFC PLR - 3.75%.</p> <p>Principal amount repayable in 16 equal quarterly installments of Rs. 101,425,165 along with Interest commencing from May 23, 2014. Interest is payable on quarterly basis. Applicable Interest rate is HDFC PLR - 4.50%.</p> <p>Principal amount repayable in 16 equal quarterly installments of Rs.15,625,000 each commencing at the end of 15 months from the date of first disbursement (i.e. from March 27, 2014 & April 11, 2014). Interest is payable on monthly basis. Applicable Interest rate is SBI Base Rate + 2.80%.</p>

NOTES TO THE FINANCIAL STATEMENTS

iv	<u>External Commercial Borrowings</u>	
	a) External Commercial Borrowings from Banks amounting to Rs. 8,154,750 (March 31, 2012: Rs.38,158,125) are secured by, pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	Principal amount repayable in 20 equal quarterly installments of USD.150,000 commencing after 12 months from the date of first disbursement (July 10, 2008). Interest is payable on monthly basis. Applicable rate of interest is 6 months LIBOR +2%.
v	<u>Buyers Credit</u>	
	a) Buyers Credit from Axis Bank Ltd. amounting to Rs.759,078,421 (March 31, 2012: Rs.193,996,643) are secured by, (Out of the same Rs. 168,096,580 is a sub-limit of Term loan of Rs. 1,000,000,000) 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 amount repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable rate of interest is 6 months LIBOR + Spread prevailing as on the date of the drawdown. (An amount of Rs. 168,096,580 is a sub-limit of Term loan sanctioned of Rs. 1,000,000,000 repayable in 12 equal quarterly instalments from the 27th month of opening of capex LC either in the form of cash margin or actual repayment i.e. (May 11, 2015).
	b) Buyers Credit from Yes Bank Ltd. amounting to Rs. 1,101,045,776 (March 31, 2012: Rs.768,805,432) are secured by, 1) pari passu hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future. 2) Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit & additional 10% at the end of 2 years.	Principal amount repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable rate of interest is 6 months LIBOR + Spread prevailing as on the date of the drawdown.
	c) Buyers Credit from ING Vysya Bank Limited amounting to Rs. 126,892,290 (March 31, 2012: Rs. NIL) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company.	Principal amount repayable with Interest on completion of 33 months from the date of drawdown. Interest is payable on half yearly basis. Applicable rate of interest is LIBOR + 0.60%.
	d) Buyers Credit from ING Bank N.V., Singapore amounting to Rs. 429,360,380 (March 31, 2012: Rs. NIL) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company.	Principal amount repayable on completion of 3 years from the date of underlying shipment/ drawdown. Applicable rate of interest is 6 months JPY LIBOR + 3.50% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.
vi	<u>Deferred payment liabilities</u>	
	a) Deferred payment liabilities amounting to Rs. 815,951,921 (March 31, 2012: Rs. 562,783,089): 1) Ericsson Television Ltd. amounting to Rs. 197,563,932 (March 31, 2012: Rs. 184,890,260) secured by Usance Letter of Credit issued by a bank. 2) NDS Ltd. amounting to Rs. 618,387,989 (March 31, 2012: Rs. 377,892,829) secured by Usance Letter of Credit issued by a bank.	Principal amount repayable after 2 years along with Interest. Applicable Rate of Interest for first 6 months is NIL and balance 18 months is 2.388% p.a. Principal amount repayable in 6 or 4 equal quarterly installments along with Interest. Applicable Rate of Interest is @3.83% and 3.66% respectively.
vii	<u>Finance Lease Obligations</u> Cisco System Capital (India) Pvt. Ltd. - Finance Lease amounting to Rs. 627,871,907 (March 31, 2012: Rs.188,815,625) secured by hypothecation of underlying assets taken on lease	Principal amount with Interest is payable in quarterly installments over the period of 5 years from inception of lease agreement. Applicable rate of interest varies between 9% - 10% p.a.
viii	<u>Vehicle Loans from Banks</u> Vehicle Loans amounting to Rs.180,716 (March 31, 2012: Rs.644,807) are secured by Hypothecation of Vehicles.	Principal amount repayable in 36 - 60 equal monthly installments along with interest. Applicable rate of interest is within the range of 7.62% - 11.40% p.a.

NOTES TO THE FINANCIAL STATEMENTS

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

	As at March 31,	
	2013	2012
Term loans from banks		
Term loan from ICICI Bank Ltd.	60,000,000	120,000,000
Term loans from Financial Institutions		
Terms loan from IDFC Ltd	180,700,000	305,900,000
Term loans from others		
Terms loan from HDFC Ltd.	92,857,130	121,428,562

2.04 OTHER LONG-TERM LIABILITIES	As at March 31,	
	2013 Rupees	2012 Rupees
Others		
Income received in advance (Refer Note No. 2.06)	6,378,114	38,350,778
Security Deposits (Refer Note No. 2.06)	92,499,558	98,632,647
	98,877,672	136,983,425

2.05 SHORT TERM BORROWINGS	As at March 31,	
	2013 Rupees	2012 Rupees
Loans repayable on demand		
Secured		
Working Capital Loans repayable on demand from a bank	130,000,000	-
Cash Credit with banks	269,581,044	10,639,278
	399,581,044	10,639,278

(a) Nature of Security for secured borrowings :

	Nature of Borrowing	Nature of Security
i	a) Working Capital Demand Loan from ING Vysya Bank Ltd. outstanding Rs.130,000,000 (March 31, 2012: Rs. NIL) [Sanctioned Amount Rs. 150,000,000 (March 31, 2012: Rs. NIL)]	a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. (b) pari passu hypothecation of present & future Current Assets of the Company.
ii	a) Cash Credit with Axis Bank Ltd outstanding Rs. 218,053,573 (March 31, 2012: Rs. 9,621,644) [Sanctioned amount Rs. 700,000,000 (March 31, 2012: Rs. 700,000,000)]	(a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. (b) pari passu hypothecation of present & future Current Assets of the Company.
	b) Cash Credit with Yes Bank Ltd amounting to Rs. 51,527,471 (March 31, 2012: Rs. 1,017,634) [Sanctioned amount Rs. 250,000,000 (March 31, 2012: Rs. 100,000,000)]	(a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. (b) pari passu hypothecation of present & future Current Assets of the Company.

- There are no long term borrowings guaranteed by person other than directors.

NOTES TO THE FINANCIAL STATEMENTS

2.06 OTHER CURRENT LIABILITIES	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Trade Payables				
Micro and Small Enterprises *	-	-	242,253	1,712,643
Others	-	-	689,029,988	513,795,953
	-	-	689,272,241	515,508,596
Current maturities of Long-Term Debts (Refer note no. 2.03)	-	-	1,877,867,485	885,749,687
Current maturities of Finance Lease Obligations (Refer note no. 2.03)	-	-	70,002,199	81,053,708
Interest accrued but not due on borrowings	-	-	34,515,844	14,700,990
Income received in advance	6,378,114	38,350,778	361,009,210	351,301,550
Statutory Payables	-	-	231,238,157	80,977,297
Payables - Capital Expenditure	-	-	1,716,148,590	190,410,115
Employee Payables	-	-	45,754,762	31,759,566
Gratuity (Funded Plans)	-	-	4,537,373	4,535,373
Security Deposits	92,499,558	98,632,647	122,889	279,836
Advance from Customers	-	-	96,680,850	69,249,695
Other Liabilities	-	-	146,203,508	158,751,323
	98,877,672	136,983,425	4,584,080,867	1,868,769,140
Amount disclosed under 'Other long-term liabilities' (Note No. 2.04)	98,877,672	136,983,425	-	-
	-	-	5,273,353,108	2,384,277,736

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

Particulars	As at March 31,	
	2013	2012
Principal amount due and remaining unpaid	219,439	1,687,865
Interest due on above and the unpaid Interest	22,813	24,778
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	22,813	24,778
Interest accrued and remaining unpaid	22,813	24,778
Amount of further interest remaining due and payable in succeeding year	12,199	36,686

2.07 SHORT TERM PROVISIONS	Short-term	
	As at March 31,	
	2013	2012
Provision for Employee Benefits		
Leave Encashment	57,813,234	48,172,298
	<u>57,813,234</u>	<u>48,172,298</u>

NOTES TO THE FINANCIAL STATEMENTS

FIXED ASSETS

(In Rupees)

2.08 TANGIBLE ASSETS	<-----Gross Block (at Cost)----->				<-----Depreciation/Amortisation/Impairment----->				<-----Net Block----->	
	As at 01-04-2012	Additions during the year	Deductions during the year	Other Adjustments*	As at 01-04-2012	Additions during the year**	Deductions during the year	Other Adjustments*	As at 31-03-2013	As at 31-03-2012
Plant and Machinery	8,303,755,232	3,775,183,109	906,295,773	166,030,428	11,338,672,996	1,049,056,258	850,525,919	77,827,138	7,279,587,158	4,521,026,873
Air Conditioners	30,687,616	1,929,794	1,311,074	-	31,306,337	1,795,460	849,712	-	11,758,737	12,085,764
Structural Fittings	25,560,572	331,590	157,442	-	25,754,720	876,661	157,442	-	16,854,119	17,399,189
Furniture & Fixtures	90,255,841	5,103,663	3,195,094	-	92,163,409	66,054,977	2,165,134	-	68,672,345	24,200,864
Mobile, Pagers & Telephones	17,614,712	256,771	863,711	-	17,007,772	12,139,494	829,352	-	12,072,317	4,935,454
Computers	116,830,329	6,707,758	1,198,661	-	122,341,426	103,009,449	1,142,448	-	108,298,275	13,820,879
Office Equipments	21,625,275	3,863,629	660,812	-	24,828,092	1,576,137	426,373	-	13,282,306	11,545,786
Electrical Fittings	25,650,026	1,716,914	407,090	-	26,959,849	16,512,757	256,558	-	9,393,418	9,137,289
Motor Vehicles	23,139,382	163,949	5,519,168	-	17,784,163	1,312,960	5,007,969	-	14,092,025	3,692,138
Movie Master Tapes	1,803,392	0	-	-	1,803,392	1,703,274	13,927	-	1,717,207	100,118
	8,656,942,376	3,795,257,177	919,607,825	166,030,428	11,698,622,156	1,067,917,586	861,360,907	77,827,138	4,323,234,938	7,375,387,217
Assets Taken on Finance Lease:										
Plant and Machinery	461,212,413	581,884,041	-	(166,030,428)	186,144,409	51,820,003	-	(77,827,138)	716,928,752	275,088,004
	461,212,413	581,884,041	-	(166,030,428)	186,144,409	51,820,003	-	(77,827,138)	716,928,752	275,088,004
Total	9,118,154,789	4,377,141,218	919,607,825	-	12,575,688,182	1,119,737,589	861,360,907	-	8,092,315,971	4,893,159,259
Previous Year	8,233,037,669	1,127,852,315	242,735,195	-	9,118,154,789	3,452,295,975	213,778,017	-	4,893,159,259	4,780,741,694

Capital Work in Progress:	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	1,988,239,100	951,484,037
Previous Year	-	-	-	-	-	-	-	-	1,988,239,100	951,484,037

* During the year the Company has reclassified Assets under Finance Lease amounting to Rs. 166,030,428 (March 31, 2012: Rs. 414,901,999) (Gross Block) and Rs. 77,827,138 (March 31, 2012: Rs. 224,826,800) (Depreciation) as Owned Assets on completion of the lease period.

** Additions to Depreciation includes Impairment of Plant and Machinery Rs. 32,416,421 (March 31, 2012: Rs. 112,139,520)

2.09 INTANGIBLE ASSETS	<-----Gross Block (at Cost)----->				<-----Depreciation/Amortisation/Impairment----->				<-----Net Block----->	
	As at 01-04-2012	Additions during the year	Deductions during the year	Other Adjustments	As at 01-04-2012	Additions during the year**	Deductions during the year	Other Adjustments	As at 31-03-2013	As at 31-03-2012
Goodwill	268,284,198	-	300,000	-	267,984,198	254,597,335	300,000	-	258,647,071	13,686,863
Cable Television Franchisee	744,366,855	(0)	8,037,107	-	736,329,747	269,695,237	6,380,738	-	303,248,725	433,081,022
Movie & Serial Rights	30,374,736	8,875,000	-	-	39,249,736	10,482,565	9,303,707	-	19,786,273	19,463,463
Software	138,060,343	354,781,073	1,193,442	-	491,647,974	81,225,929	42,926,673	-	122,959,160	368,688,814
Bandwidth Rights	46,822,425	11,177,100	-	-	57,999,525	7,521,482	10,886,999	-	18,408,481	39,300,943
Total	1,227,908,556	374,833,173	9,530,549	-	1,593,211,180	107,401,341	7,874,179	-	723,049,710	604,386,008
Previous Year	1,389,863,882	129,046,162	291,001,488	-	1,227,908,556	785,659,664	230,811,897	-	604,386,008	604,204,217

Note :

Range of remaining period of amortisation of Intangible Assets is as below :						Total WDV
Goodwill	0 to 5 Year	5 to 10 Year	10 to 15 Year	15 to 20 Year		9,337,128
Cable Television Franchisee	6,809,388	2,527,740				433,081,022
Movie & Serial Rights	905,696	132,406,389	170,271,280	129,497,657		19,463,463
Software	19,442,144	21,319				368,688,814
Bandwidth Rights	368,688,814	27,461,608				39,591,044
	12,129,436					

** Additions to Amortisation includes Impairment of Cable Television Franchisee Rs.5,655,813 (Previous Year Rs. NIL)

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

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

NOTES TO THE FINANCIAL STATEMENTS

2.10 NON-CURRENT INVESTMENTS	FACE VALUE	As at March 31, 2013		As at March 31, 2012	
	Rs. Per Unit	Quantity	Rupees	Quantity	Rupees
<u>Trade investments (valued at cost)</u>					
Quoted equity instruments					
Investment in Equity Shares of Subsidiaries					
Hathway Bhawani Cabletel and Datacom Ltd.	10	1,920,000	22,800,000	1,920,000	22,800,000
			22,800,000		22,800,000
Unquoted equity instruments					
Investment in Equity Shares of Subsidiaries					
GTPL Hathway Pvt. Ltd (f.k.a. Gujarat Telelink Pvt. Ltd)	10	846,500	1,470,721,167	742,500	1,340,721,167
Hathway Bhaskar Multinet Pvt. Ltd.	10	1,174,400	559,092,258	598,944	390,951,539
Hathway Sai Star Cable & Datacom Pvt. Ltd.	10	68,850	270,914,254	68,850	270,914,254
Hathway Sonali Om Crystal Cable Pvt. Ltd.	10	51,000	163,608,000	51,000	163,608,000
Hathway Rajesh Multi Channel Pvt. Ltd.	10	144,849	74,364,130	144,849	74,364,130
Hathway New Concept Cable & Datacom Pvt. Ltd.	10	25,500	71,400,002	25,500	71,400,002
Hathway MCN Pvt. Ltd.	10	924,750	76,275,000	810,000	64,800,000
Hathway Channel 5 Cable & Datacom Pvt. Ltd. #	10	249,000	62,819,311	249,000	62,819,311
Hathway Media Vision Pvt. Ltd.	10	65,040	59,231,098	65,040	59,231,098
Hathway Krishna Cables Pvt. Ltd.	10	4,860,000	48,600,000	4,860,000	48,600,000
Hathway Dattatray Cable Network Pvt. Ltd.	10	20,400	40,522,500	20,400	40,522,500
Hathway Kokan Crystal Network Pvt. Ltd.	10	27,990	22,950,000	27,990	22,950,000
Ideal Cables Pvt. Ltd. ##	10	76,020	22,210,200	76,020	22,210,200
Net 9 Online Hathway Pvt. Ltd.	10	5,000	20,050,000	5,000	20,050,000
Hathway Cable MCN Nanded Pvt Ltd	10	1,305,717	13,057,170	1,305,717	13,057,170
Channels India Network Pvt. Ltd. ##	10	87,500	10,855,000	87,500	10,855,000
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	10	51,000	9,180,560	51,000	9,180,560
Hathway Jai Mata Di Sherawali Cable & Datacom Pvt. Ltd. ###	10	-	-	800,000	8,000,000
Vision India Networks Pvt. Ltd. ##	10	87,700	7,439,500	87,700	7,439,500
Hathway Palampur Cable & Datacom Pvt. Ltd.	10	15,300	6,760,000	15,300	6,760,000
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	10	10,200	6,555,569	10,200	6,555,569
Hathway C-Net Pvt. Ltd. ##	10	100,000	5,985,000	100,000	5,985,000
Chennai Cable Vision Network Pvt. Ltd. ##	10	136,800	5,634,482	136,800	5,634,482
Hathway Nashik Cable Network Pvt. Ltd. ##	10	45,300	4,503,000	45,300	4,503,000
Hathway ICE Television Pvt. Ltd.	10	102,000	4,080,000	102,000	4,080,000
Bee Network & Communication Pvt. Ltd. ##	10	99,989	3,999,140	99,989	3,999,140
Hathway Mysore Cable Network Pvt. Ltd.	10	292,100	2,921,000	292,100	2,921,000
UTN Cable Communications Pvt. Ltd.	10	25,500	2,632,440	25,500	2,632,440
Hathway Prime Cable & Datacom Pvt. Ltd.	10	229,500	2,295,000	229,500	2,295,000
Win Cable and Datacom Pvt. Ltd. ##	10	200,000	2,000,000	200,000	2,000,000
Hathway Software Developers Pvt. Ltd.	10	195,000	1,950,000	195,000	1,950,000
Elite Cable Network Pvt. Ltd. ##	10	48,000	480,000	48,000	480,000
Hathway Space Vision and Cabletel Pvt. Ltd. ##	10	10,020	100,200	10,020	100,200
Hathway Enjoy Cable Network Pvt. Ltd.	10	10,000	100,000	10,000	100,000
Hathway Gwalior Cable & Datacom Pvt. Ltd.##	10	10,000	100,000	10,000	100,000
Hathway JMD Farukabad Cable & Datacom Pvt. Ltd.	10	10,000	100,000	10,000	100,000
Binary Technology Transfers Pvt. Ltd. ##	100	1,000	100,000	1,000	100,000
Hathway Internet Satellite Pvt.Ltd. ##	10	10,000	100,000	10,000	100,000
Hathway United Cables Pvt. Ltd. ##	10	10,000	100,000	10,000	100,000
Hathway Universal Cabletel and Datacom Pvt. Ltd. ##	100	1,000	100,000	1,000	100,000

NOTES TO THE FINANCIAL STATEMENTS

2.10 NON-CURRENT INVESTMENTS	FACE VALUE	As at March 31, 2013		As at March 31, 2012	
	Rs. Per Unit	Quantity	Rupees	Quantity	Rupees
ITV Interactive Media Pvt. Ltd. ##	100	1,000	100,000	1,000	100,000
Liberty Media Vision Pvt. Ltd. ##	10	10,000	100,000	10,000	100,000
Hathway Mantra Cable & Datacom Pvt. Ltd.	10	9,800	98,000	9,800	98,000
			3,054,183,981		2,752,568,262
Less : Provision for diminution in value			43,906,522		51,906,522
			3,010,277,459		2,700,661,740
Investment in Equity Shares of Joint Venture					
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	10	71,075	40,200,839	71,075	40,200,839
			40,200,839		40,200,839
Investment in Equity Shares of Associates					
Hathway VCN Cablenet Pvt. Ltd. ##	10	12,520	1,006,132	12,520	1,006,132
Pan Cable Services Pvt. Ltd. ##	10	10	100	10	100
			1,006,232		1,006,232
Less : Provision for diminution in value			1,006,232		1,006,232
			-		-
Investment in Equity Shares of other Companies					
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	470,594	47,009	470,594
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd. ##	10	60,000	2,206,295	60,000	2,206,295
			2,676,889		2,676,889
Less : Provision for diminution in value			2,206,295		2,206,295
			470,594		470,594
Investment in Preference Shares of Subsidiary					
Hathway Bhaskar Multinet Pvt. Ltd.	10	51,020	510,200	26,020	260,200
Investment in Partnership Firm					
Hathway SS Cable & Datacom LLP			17,304,006		-
Others Investments (valued at cost)					
Quoted					
Investments in Units of Mutual Funds					
IDFC Fixed Term Plan Series 13- Regular Plan- Growth*	10	3,500,000	35,000,000		-
Unquoted Investment in Government Securities					
National Savings Certificates			1,448,360		1,446,360
Total Non-current Investments			3,128,011,458		2,765,839,733
Aggregate amount of quoted investments			57,800,000		22,800,000
Market Value of Quoted Investments			57,011,550		19,200,000
Aggregate amount of unquoted investments			3,070,211,458		2,743,039,733
Aggregate provision for diminution in value of investments			47,119,049		55,119,049

Provision for the entire carrying value of investments made in earlier year, was reversed in the previous year

Fully provided for

Refer Note no 4.03 (b)

* Includes 3,500,000 units (March 31, 2012: Nil units) where lien has been marked in favour of a Financial Institution

Particulars of Investments in Capital of Limited Liability Partnership Firm M/s. Hathway SS Cable & Datacom LLP :

Sr. No.	Name of the Partners	Share of Profit / Loss	Total Fixed Capital (Rupees)		Total Current Capital (Rupees)	
		(%)	2013	2012	2013	2012
1	Hathway Cable & Datacom Ltd.	51.00%	17,304,006	Nil	4,739,536	Nil
2	Rohit Joshi	24.50%	8,070,588	Nil	Nil	Nil
3	Vivek Jaiswal	24.50%	8,070,588	Nil	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS

2.11 DEFERRED TAX ASSETS (NET)	As at March 31, 2013	
	2013 Rupees	2012 Rupees
<u>Deferred Tax Liabilities on</u>		
a) Difference between book and tax depreciation	456,384,169	66,803,855
<u>Deferred Tax Assets on</u>		
a) Unabsorbed Depreciation Losses*	456,384,169	66,803,855
NET DEFERRED TAX ASSETS	-	-

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

2.12 TRADE RECEIVABLES	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	111,255,297	111,255,297	2,051,416,179	1,354,732,195
Doubtful Outstanding	622,072,039	330,126,537	-	-
	733,327,336	441,381,834	2,051,416,179	1,354,732,195
Less: Provision for doubtful trade receivables	608,871,227	312,157,180	-	-
	124,456,109	129,224,654	2,051,416,179	1,354,732,195
Outstanding for a period exceeding six months from the date they are due for payment			356,715,561	240,683,128
Other receivables			1,694,700,618	1,114,049,067
			2,051,416,179	1,354,732,195

Trade Receivables include receivable from private companies in which director of the Company is a director or member as detailed below:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Private Company in which Director is a member	206,692,802	153,763,225

2.13 LOANS AND ADVANCES	Long - Term		Short - Term	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
<u>CAPITAL ADVANCES</u>				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	8,052,445	7,057,918	-	-
Advance to Suppliers	181,718,479	99,457,984	-	-
Less: Provision for doubtful advances	5,076,220	5,076,220	-	-
	184,694,704	101,439,682	-	-
<u>SECURITY DEPOSITS</u>				
Unsecured, considered good				
Security Deposits	162,129,496	154,011,341	5,500,038	11,891,916
	162,129,496	154,011,341	5,500,038	11,891,916
<u>LOANS AND ADVANCES TO RELATED PARTIES</u>				
Unsecured, considered good unless stated otherwise				
Advance to Subsidiaries	614,717,078	626,388,585	102,975,939	95,500,808
Advance to Firm in which Subsidiaries are partner	171,578,339	171,575,839	-	-
Advance to other Cable Ventures	61,018,580	61,018,580	-	-
Loan to Key Managerial Personnel	-	2,767,912	-	-
Share Application Money	43,982,490	27,732,490	-	-
Less: Provision for doubtful loans and advances	645,876,769	645,039,755	-	-
	245,419,718	244,443,651	102,975,939	95,500,808

NOTES TO THE FINANCIAL STATEMENTS

2.13 LOANS AND ADVANCES	Long - Term		Short - Term	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
OTHER LOANS AND ADVANCES				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	33,920,211	44,534,315	100,786,920	84,363,915
Staff Advances	1,359,807	144,744	2,770,965	4,285,199
Staff Loan	4,413,030	4,291,403	742,617	1,105,380
Sundry Advances	20,043,927	28,343,069	259,809,448	76,943,098
Service Tax Claimable	-	-	529,248,256	180,693,202
Loans Given	4,055,271	3,074,485	300,000	271,522
Advance Income Tax (Net of Provision)	156,380,700	47,680,000	85,927,464	108,066,707
Less: Provision for doubtful loans and advances to others	17,907,483	17,907,483	-	-
	202,265,461	110,160,533	979,585,670	455,729,023
	794,509,379	610,055,207	1,088,061,647	563,121,747

Loans and advances due by directors or other officers, etc.,	Long - Term		Short - Term	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
The above include				
Dues from Director	1,440,786	2,767,912	-	-
To subsidiary companies carrying Cable TV business	163,768,928	181,527,019	60,000,000	60,000,000
	165,209,714	184,294,931	60,000,000	60,000,000

2.14 OTHER ASSETS	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Unsecured, considered good unless stated otherwise				
Non-current other bank balances (Note No. 2.17)	268,379,738	148,878,115	-	-
Other Receivables	-	-	79,718,617	3,244,489
Interest accrued but not due	-	-	5,637,692	4,030,384
Others	3,720,215	-	-	-
	272,099,953	148,878,115	85,356,309	7,274,873

NOTES TO THE FINANCIAL STATEMENTS

2.15 CURRENT INVESTMENTS	FACE VALUE	As at March 31, 2013		As at March 31, 2012	
		Quantity	Rupees	Quantity	Rupees
	Rs. Per Unit				
Current investments (valued at lower of cost and fair value, unless stated otherwise)					
Other Investments					
Quoted					
Mutual Funds					
IDFC Mutual Fund					
- FMP- Yearly Series 63*	-	-	-	3,500,000	35,000,000
			-		35,000,000
Unquoted					
Mutual Funds					
UTI Mutual Fund					
- Liquid Cash Plan- Institutional- Growth	-	-	-	9,953	17,500,729
Templeton India Fund					
- Treasury Management Account- Super Institutional - Growth	-	-	-	5,756	9,173,698
Reliance Mutual Fund					
- Liquid Fund- Treasury Plan- Institutional- Growth	-	-	-	1,533,554	40,000,000
			-		66,674,427
Total Current Investments			-		101,674,427
Aggregate amount of quoted investments			-		35,000,000
Market Value of Quoted Investments			-		35,364,000
Aggregate amount of unquoted investments			-		66,674,427

* Includes Nil units (March 31, 2012: 3,500,000 units) where lien has been marked in favour of a Financial Institution

2.16 INVENTORIES	Current	
	As at March 31,	
	2013	2012
Inventories :		
Stock of Spares & Maintenance Items	15,051,743	10,714,985
	15,051,743	10,714,985

2.17 CASH AND BANK BALANCES	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Cash & Cash Equivalents				
Balances with banks:				
In Current Accounts	-	-	6,978,251	54,543,450
Fixed Deposits with original maturity of less than 3 months	-	-	-	500,000,000
Cash in hand	-	-	99,749,990	5,831,762
	-	-	106,728,241	560,375,212
Other Bank Balance				
Margin money deposit*	268,379,738	148,878,115	-	-
	268,379,738	148,878,115	-	-
Less: Amount disclosed under non current asset (Refer Note 2.14)	268,379,738	148,878,115	-	-
* Marked under lien in favour of Banks	-	-	106,728,241	560,375,212

NOTES TO THE FINANCIAL STATEMENTS

3.01 REVENUE FROM OPERATIONS	As at March 31,	
	2013 Rupees	2012 Rupees
Sale of services		
Subscription Income	6,157,109,707	4,747,393,939
Rental Income on Equipments	82,742,507	111,237,535
Consultancy Income	64,987,433	83,255,937
Advertisement Income	96,020,855	41,054,575
Commission Income	26,429,354	22,607,563
	6,427,289,856	5,005,549,549
Sale of products		
Sale of Access Devices	80,286,828	95,538,838
	80,286,828	95,538,838
Other operating revenues		
Other Operational Income	35,621,946	35,924,670
	35,621,946	35,924,670
	6,543,198,630	5,137,013,057

3.02 OTHER INCOME	As at March 31,	
	2013 Rupees	2012 Rupees
Profit on Sale of Current Investments (Net)	33,100,353	75,859,338
Amount No Longer Payable Written Back	17,951,175	24,201,398
Interest on Fixed Deposits	29,481,980	23,107,865
Interest on Certificate of Deposits	-	9,923,417
Interest on Income Tax Refund	3,071,010	5,718,058
Gain on Foreign Exchange Fluctuation (Net)	41,649,998	1,817,193
Miscellaneous Income	2,711,567	1,697,834
Interest on Loans	8,373,349	7,711,106
	136,339,432	150,036,209

3.03 Purchase of Stock-In-Trade	As at March 31,	
	2013 Rupees	2012 Rupees
Purchase of Access Device	109,867,428	98,082,310
	109,867,428	98,082,310

3.04 OPERATIONAL EXPENSES	As at March 31,	
	2013 Rupees	2012 Rupees
Pay Channel Cost	1,704,173,103	1,436,108,140
Distribution Cost	404,313,410	366,351,471
Commission	203,952,408	220,196,064
Bandwidth & Lease Line Cost	157,403,537	146,840,431
Other Sundry Operational Cost	90,736,515	43,974,295
Repairs & Maintenance (Plant & Machinery)	162,289,175	158,017,868
Rent	105,851,325	99,940,124
Consultancy & Technical Fees	49,748,679	28,669,980
Feed charges	43,722,269	44,927,987
Software & Programming Cost	12,622,817	17,691,592
Freight & Octroi Charges	11,396,146	7,417,671
Hire Charges	6,655,545	9,673,920
	2,952,864,929	2,579,809,543

NOTES TO THE FINANCIAL STATEMENTS

3.05 EMPLOYEE BENEFITS EXPENSE	As at March 31,	
	2013 Rupees	2012 Rupees
Salaries & Bonus	371,187,228	337,209,390
Staff Welfare	23,338,485	20,269,600
Contribution to provident and other fund	24,628,977	22,093,459
Employee Stock Compensation Expense	2,944,622	725,448
	<u>422,099,312</u>	<u>380,297,897</u>

3.06 OTHER EXPENSES	As at March 31,	
	2013 Rupees	2012 Rupees
Service Charges	366,641,153	335,938,105
Bad Debts	85,095,283	431,409,356
Less: Transfer from Provision for Doubtful Debts	85,095,283	431,409,356
	-	-
Provision for Bad and Doubtful debts	381,809,330	319,943,445
Electricity Expenses	110,047,999	97,751,563
Loss on disposal / shortage of assets	38,899,244	51,445,622
Rates & taxes	78,290,004	62,738,219
Office Expenses	65,267,439	49,387,579
Legal & Professional Charges	48,845,705	47,641,115
Advertisement & Promotion expenses	50,605,165	36,072,014
Conveyance	50,388,727	47,889,718
Repairs & Maintainance (Others)	25,928,449	8,851,665
Rent - Offices	46,667,063	45,538,971
Communication Charges	30,239,784	29,654,850
Travelling	18,095,196	23,148,496
Printing & Stationery	16,986,026	13,021,755
Miscellaneous Expenses	10,944,696	7,303,310
Business Promotion Expenses	9,333,048	6,903,359
Insurance Charges	3,746,907	4,078,924
Interest on Taxes	3,241,536	996,060
Provision for Bad & Doubtful Advances	6,755,426	15,239,449
Sundry Advances Written Off	210,768	3,510,555
Sitting Fees	1,410,000	1,170,000
Auditor's Remuneration		
- Statutory Audit Fees	3,250,000	3,250,000
- Audit Fees	825,000	825,000
- Limited Review, Consolidation & Certification Fees	1,810,000	1,810,000
- Tax Representation Fees	150,000	150,000
- Other Consultancy Services	2,650,000	2,665,000
	<u>1,373,038,665</u>	<u>1,216,924,774</u>

3.07 DEPRECIATION AND AMORTISATION	As at March 31,	
	2013 Rupees	2012 Rupees
Depreciation on Tangible Assets	1,124,485,605	914,091,709
Amortisation of Intangible Assets	64,581,090	117,313,531
	<u>1,189,066,695</u>	<u>1,031,405,240</u>

3.08 FINANCE COST	As at March 31,	
	2013 Rupees	2012 Rupees
Interest and Finance Charges	358,016,742	278,135,200
Bank Charges	103,405,706	63,785,740
Foreign Exchange difference to the extent considered as an adjustment to finance cost	-	66,611,164
	<u>461,422,448</u>	<u>408,532,104</u>

3.09 EXCEPTIONAL ITEMS *	As at March 31,	
	2013	2012
	Rupees	Rupees
Reversal of Interest being exchange differences arising from foreign currency borrowings for FY 2011-12 pursuant to MCA Circular dated August 9, 2012	(51,461,260)	-
Provision for Doubtful Advances / Investments / Receivables from entities Under Control / Significant Influence	46,634,247	8,502,036
Reversal of provision for Diminution in Investment	-	(62,819,311)
Impairment and write off of Assets in respect of operations in Tamil Nadu	-	104,333,068
Sundry balance written-back relating to operations in Tamil Nadu	-	(10,444,370)
Expenses on account of introduction of Digital Addressable System (DAS)	50,035,460	4,040,839
Provision for Entertainment Tax of earlier years	48,278,280	-
	93,486,727	43,612,262

* Refer Note 4.05

NOTES TO THE FINANCIAL STATEMENTS

4.01 CONTINGENT LIABILITIES

- a) The Company has given a counter indemnity favouring the bankers to the extent of Rs. 92,015,477 (March 31, 2012: Rs. 48,707,075) for issue of Bank Guarantees on behalf of the Company to various authorities/parties.
- b) The Company has given Corporate Guarantees of Rs. 744,500,000 (March 31, 2012: Rs. 634,500,000) to Banks & Rs. 328,000,000 (March 31, 2012: Rs. 328,000,000) to Others towards various credit facilities given by the Bank & Others to some of its subsidiary companies.
- c) Other Claims against the Company not acknowledged as debts are as under:

Matters with	2012-2013 (Rs.)	2011-2012 (Rs.)
Broadcasters / Channels (Refer Note No. 4.01 (d)) relating to Pay Channel Cost	23,297,792	96,949,806
Disputes with Operators	28,469,586	29,568,089
Entertainment Tax Department (Refer Note No. 4.01 (f), (g) & (h))	148,312,361	141,706,475
Other Statutory Departments	11,167,880	9,634,351
Disputes related with Copyrights	9,350,500	9,350,000
Total	220,598,119	287,208,721

- d) The Company as well as few broadcasters have claims and counter claims against each other, which are yet to be finalised and settled. The contingent liability in respect of such claims wherever ascertained, have been considered under Claims against the company not acknowledged as debts. In addition, upto the previous year, pending finalisation of negotiations with one of the broadcasters, the Company has accounted pay channel cost net of discounts expected from such broadcaster
- e) The relevant Authority under the Karnataka Sales Tax / VAT had initiated proceeding to reassess the Company's liability for the financial years 2001-02 to 2008-09 on the argument that light energy created while using OFC network for the purposes of transmission is goods and hence liable to tax under relevant state legislation. On writ petition, the Karnataka High Court has held against the Company. On further appeal, the Honourable Supreme Court remanded the matter to the Tribunal. However, Sales Tax Tribunal did not entertain the appeal of the Company as no assessment was made.

The Assessing Officer, acting on Nil returns filed by the Company, has proposed to complete best judgment re-assessment to tax light energy as goods. This may result in approximate demand of Rs. 54,406,240 (March 31, 2012: Rs. 54,406,240). The Company has filed a detailed reply to the show cause notice issued by the assessing officer and the matter is pending.

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

- f) Pursuant to various amendments under Karnataka Entertainment Tax Act, 1958 to levy entertainment tax on LCO's and MSO's, the Government of Karnataka has issued various notices for re-assessment for various periods. The Company had challenged the notices and validity of amendments before the Hon'ble High Court of Karnataka. During the year, the High Court of Karnataka has rejected the petition of the Company. Accordingly, entertainment tax pertaining to the financial years 2006-07 to 2012-13 amounting to Rs. 60,226,890 (March 31, 2012 : Rs. 50,616,720) has been recognised in the financials. Out of the same an amount of Rs. 48,278,280 (March 31, 2012 : Nil) which pertains to previous financial years is shown as an Exceptional Item & balance which pertains to the current financial year is shown as an expense in the Statement of Profit & Loss. The Company has deposited Rs. 8,848,390 (March 31, 2012 : Rs. Nil) against this demand and is in the process of filing writ appeal. Contingent liability includes Rs 25,777,152 (March 31, 2012 : Rs. Nil) being interest on the above. Upto the previous year the demand was classified under Contingent Liability.
- g) The Company has filed a petition before the Honourable Court of Andhra Pradesh challenging the vires of the amendment to the Andhra Pradesh Entertainment Tax Act, 1939 which has resulted in the levying of the Entertainment Tax on MSOs of Rs. 34,577,710 (March 31, 2012 : 25,604,095). The petition has been admitted and the levy and the action pursuant thereto have been ordered to be stayed.
- h) The Collector of Aurangabad had initiated proceeding for recovery of an amount of Rs.79,192,049 towards non payment of Entertainment Tax up to the period September 30, 2011. The Company has preferred an appeal before the Divisional Commissioner who has by his order dated January 16, 2012 partly allowed the appeal by setting aside the order of the Additional Collector. The matter has been remanded to the Additional Collector for a de novo enquiry. After further hearings, no notice has been issued by or received by the Company from the Collector.
- The matters is pending and based on the outcome of the respective petitions, liability may extend to period beyond notice period. The contingent liability in respect of claims is considered as part of Claims against Company not acknowledged as debts.
- i) During the year, the VAT department in Maharashtra has raised the demand for the Assessment year 2008-09 of Rs.92,99,998/- which includes Rs.946,104/- towards MVAT and Rs.8,353,894/- towards CST. The Company has filed appeal against the same and is pending.
- j) Income Tax Matters

Particulars	2012-2013 (Rs.)	2011-2012 (Rs.)
Income Tax matter under appeal (Of the above an amounts of Rs.19,948,033 (March 31, 2012: Rs.8,865,792) has already been deposited with Income Tax Department)	39,896,066	39,896,066

4.02 CAPITAL AND OTHER COMMITMENTS:

Estimated amount of contracts (including acquisition of intangible assets net of advances) remaining to be executed on capital account and not provided for aggregate to Rs.2,788,888,666 (March 31, 2012: Rs.1,858,829,743).

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

4.03 MATTERS RELATING TO SUBSIDIARIES:

- a) Two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. and Hathway Internet Satellite Pvt. Ltd. were majority partners in a partnership firm, namely, M/s. Hathway Space Vision (the firm). The aforesaid majority partners of the firm had initiated legal action against the minority partner viz. Space Vision Cabletel Pvt. Ltd. with reference to some management and operational issues and had made monetary claims against the minority partner. The minority partner had also filed certain counter claims against the wholly owned subsidiaries. After a long drawn legal battle, the firm stands dissolved under the directions of the Bombay High Court and the Court Receiver has been appointed as the Receiver of the assets and business of the firm. The issues concerning accounts and dissolution including adjudicating upon the original claims and counter claims made before the earlier Arbitrator are referred to for fresh Arbitration. The matter is pending. There are no claims against the Company.

The Company has investments in said fully owned subsidiaries namely Hathway Internet Satellite Pvt. Ltd. & Binary Technology Transfers Pvt. Ltd. of Rs.100,000 (March 31, 2012 :Rs.100,000) and Rs.100,000 (March 31, 2012 :Rs.100,000) and Loans and advance of Rs.15,915,359 (March 31, 2012 :Rs.15,915,359), Rs.15,909,137 (March 31, 2012 :Rs.15,909,137) respectively which has been fully provided for in the books.

- b) The Company had filed petition to wind up Hathway Jai Mata Di Sherawali Cable & Datacom Private Limited (HJMD), a subsidiary company, on just and equitable ground. In view of the Management disputes with the other Shareholders, the Company has decided to take such an action. The Delhi High Court has since passed the necessary order to liquidate HJMD and the investment of Rs 80,00,000 (March 31, 2012 80,00,000) and Loans & Advances of Rs 5,421,482 (March 31, 2012 : Rs. 5,421,482) & receivables of Rs. 7,450,717 (March 31, 2012 : 7,450,717) which was fully provided in the previous year, has been written off from the books during the year.

- 4.04** The Trade Receivables includes amount due from disconnected / inactive customers and outstanding in excess of one year. The Company is taking adequate steps for recovery of overdue debts and advances and wherever necessary, adequate provisions have been made. In the opinion of the Board, long-term Loans & Advances, Trade Receivables and Current Assets have a realizable value in the ordinary course of business not less than the amount at which they are stated in the Balance Sheet.

4.05 EXCEPTIONAL ITEMS

- a) The Company in its ordinary course of business has promoted / acquired interest in various entities. The Company's exposure to these entities on account of Investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Trade Receivables is Rs. 3,138,682,147 (March 31, 2012: Rs. 2,820,432,866), Rs. 950,289,935 (March 31, 2012: Rs. 954,182,741) and Rs. 500,388,698 (March 31, 2012: Rs. 455,415,525) respectively. Most of the entities have accumulated losses and negative net worth. The Company's exposure to such loss making entities on account of investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Trade Receivables is Rs. 1,078,842,721 (March 31, 2012: Rs. 898,878,542), Rs. 752,052,714 (March 31, 2012: Rs. 707,281,325) and Rs. 395,343,295 (March 31, 2012: Rs. 283,971,361). The Company has made provision on overall basis of Rs. 44,912,654 (March 31, 2012: Rs. 44,912,654), Rs. 635,115,720 (March 31, 2012: Rs. 631,000,421) and Rs. 101,835,670 (March 31, 2012: Rs. 59,039,346) against such Investments, Loans and Advances and Trade Receivables respectively.

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

- b) During the year 2010-11 the Company had, in respect of a joint venture viz. Hathway Channel 5 Cable & Datacom Private Limited, filed a complaint against the joint venture partner for committing various criminal offences such as misappropriation of funds, falsification of accounts, fraudulent destruction of security etc. and had made claim of Rs.74,321,905. The matter has since been settled out of court and both the parties have withdrawn their respective cases. The exposure of the Company is Rs. 100,939,497 (March 31, 2012: Rs.99,779,696). On settlement of disputes, the provision of Rs. 62,819,311 made during the year 2010-11 has been reversed in the previous year.
- c) During the year 2009-10, due to certain business exigencies in the state of Tamilnadu, local cable operators and subscribers had migrated to competing Multi System Operator (MSO) and other service providers. As a consequence, the Company relocated part of its assets to other States so as to maximize the economic returns to the Company and is in the process of recovering balance access devices and other assets. However, as a matter of abundant caution, additional provision has been made as an Exceptional Item for Rs. Nil (March 31, 2012: Rs.104,333,070). Also In addition to the above Rs.Nil (March 31, 2012: Rs.10,444,370) has been written back after netting of expense for loans and advances, deposits and other current assets against current liabilities and deposit received outstanding in the books in the state of Tamilnadu.
- d) Pursuant to the implementation of Digital Addressable System (DAS), the Company has incurred expenditure amounting to Rs. 50,035,460 (March 31, 2012: Rs.4,040,839) towards promotional campaign relating to awareness of DAS for 100% digitalization for all the four metros from November 01, 2012.
- e) The Ministry of Corporate Affairs vide circular dated August 09, 2012 clarified that loss arising on foreign exchange fluctuation is not

to be recognised as interest cost in terms of para 4(e) of Accounting Standard 16 on Borrowing Costs in the event a company has opted for an option granted under earlier circular relating to capitalization / amortisation of foreign exchange losses. In view of the same, during the year the Company has reversed finance cost of Rs. 59,005,974 for the year ended March 31, 2012 and capitalised the same resulting in higher depreciation by Rs. 7,544,714 for the year ended March 31, 2012. The aforesaid change resulted in net gain of Rs. 51,461,260 and has been shown as "Exceptional Item" in the Statement of Profit & Loss.

4.06 OUTSTANDING LETTER OF CREDIT :

Outstanding Letters of Credit Rs. 1,802,117,557 (March 31, 2012: Rs. 459,212,667) secured against assets acquired under LC facility, hypothecation of present and future current assets of the Company and extension of pari passu hypothecation of present and future movable fixed assets of the Company.

4.07 EMPLOYEE STOCK OPTION PLAN

The shareholders of the Company have approved Employee Stock Option Plan i.e. HATHWAY ESOP 2007 ("The Plan"). The Plan provides for issue of options (underlying equity share of Rs.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 Rs.110.20 to Rs.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, 2013 (Rs.)	March 31, 2012 (Rs.)
Total accounting value of Options Outstanding (A)	3,260,105	4,928,443
Deferred Employee Compensation Expense	13,102,302	29,085,608
Less: Amortized	12,786,819	24,882,613
Net Deferred Employee Compensation Expense (B)	315,483	4,202,995
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	2,944,622	725,448

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

Shares Underlying Options Outstanding

Sr. No.		Particulars	March 31, 2013 (Rs.)		March 31, 2012 (Rs.)	
			No. of Shares	Weighted Average Exercise Price (Rs.)	No. of Shares	Weighted Average Exercise Price (Rs.)
A	a	Outstanding at the beginning of the year	620,199	118.36	769,999	117.33
	b	Granted during the year	Nil	Nil	Nil	Nil
	c	Forfeited/ Cancelled during the year	8,000	110.20	13,500	110.20
	d	Exercised during the year option I	270,000	110.20	Nil	Nil
	e	Exercised during the year option II	46,100	157.30	Nil	Nil
	f	Expired during the year option I	6,300	110.20	127,200	110.2
	g	Expired during the year option II	24,500	157.30	9,100	157.3
B		Outstanding at the end of the year	265,299	116.73	620,199	118.36
C		Exercisable at the end of the year	265,299	116.73	491,159	118.15
D		Method of Settlement	Equity	Equity	Equity	Equity
E		Weighted average remaining contractual life (in months)		0.53		8.56
F		Weighted average Fair Value of Option granted during the year		Nil		Nil

4.08 PRIOR PERIOD ITEMS

Detail of Prior Period Income and Expenses is as under:

Particulars	2012-2013 (Rs.)	2011-2012 (Rs.)
<u>Income of earlier years credited to Statement of Profit and Loss</u>		
- Subscription Income	1,923,844	1,619,779
- Others	132,000	45,331
<u>Expenses of earlier years reversed and credited to Statement of Profit and Loss</u>		
- Interest and Finance Charges	5,220,000	-
- Salaries & Bonus	142,914	624,112
- Others	1,181,999	1,612,618
TOTAL CREDIT (A)	8,600,757	3,901,840
<u>Income of earlier years reversed and debited to Statement of Profit and Loss</u>		
- Subscription Income	9,195,620	2,269,614
- Others	45,000	16,709
<u>Expenses of earlier years debited to Statement of Profit and Loss</u>		
- Advertisement & Promotion expenses	2,574,792	450,000
- Contribution to fund	-	3,681,811
- Electricity charges	98,932	2,032,689
- Lease Line Cost	-	2,018,506
- Pay Channel Cost	1,016,611	-
- Rates & Taxes	1,945,625	100,894
- Rent	140,242	497,224
- Subscription Income	-	1,802,700
- Others	1,233,645	2,153,000
TOTAL DEBIT (B)	16,250,467	15,023,147
Net Debit / (Credit) to Statement of Profit and Loss (A-B)	7,649,710	11,121,307

4.09 EMPLOYEE BENEFITS**a) Defined Benefit Plans:**

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

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

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

	Category	March 31, 2013 [Gratuity (Rs.)]	March 31, 2012 [Gratuity (Rs.)]
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	29,546,357	25,332,917
	Current Service Cost	6,563,279	5,023,215
	Interest Cost	2,449,743	1,942,033
	Benefits Paid	(1,451,704)	(2,416,558)
	Actuarial Gain / (Loss)	1,236,105	(335,250)
	Projected benefit obligations at end of the year	38,343,780	29,546,357
2	Change in plan assets:		
	Plan assets at the beginning of the year	25,010,984	21,918,913
	Expected return on plan assets	2,451,423	2,105,209
	Actuarial Gain / (Loss)	(81,870)	(1,190,810)
	Contributions	7,877,574	4,594,230
	Benefits Paid	(1,451,704)	(2,416,558)
	Plan assets at the end of the year	33,806,407	25,010,984

	Category	March 31, 2013 [Gratuity (Rs.)]	March 31, 2012 [Gratuity (Rs.)]
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Fair Value of plan assets at the end of the year	33,806,407	25,010,984
	Present value of the defined benefit obligations at the end of the year	38,343,780	29,546,357
	Liability / (Asset) recognized in the Balance Sheet	4,537,373	4,535,373
4	Cost for the year		
	Current Service Cost	6,563,279	5,023,215
	Interest Cost	2,449,743	1,942,033
	Expected return on plan assets	(2,451,423)	(2,105,209)
	Actuarial Gain / (Loss)	1,317,975	855,560
	Net Cost recognized in the Statement of Profit and Loss	7,879,574	5,715,599
5	Assumptions		
	Interest rate for discount	8.05%	8.50%
	Estimated rate of return on plan assets	8.69%	8.05-9.15%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	8.92%	8.00%
	Employee Attrition Rate (Past service)	0-5 years - 9.73%	0-3 years - 12%
			3-5 years - 2%
			5-10 years - 6%
			10-15 years - 1%
		5-40 years - 2.83%	15-40 years - 0%
6	Investment Details		
	Deposit With LIC of India	56.86%	37.14%
	Deposit With ING Vysya Life Insurance Corporation of India	43.14%	62.86%
		100.00%	100.00%

b) Defined Contribution Plans:

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

c) Other Disclosures :

Particulars	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Defined benefit obligation	38,343,780	29,546,357	25,332,917	13,098,219	11,660,756
Plan assets	33,806,407	25,010,984	21,918,913	14,675,293	8,671,596
Surplus/(Deficit)	(4,537,373)	(4,535,373)	(3,414,004)	1,577,074	(2,989,160)
Experience adjustment on obligation - gain/(loss)	1,236,105	(335,250)	1,064,883	(347,043)	750,145
Experience adjustment on plan assets - gain/(loss)	(81,870)	(1,190,810)	(127,462)	2,235,191	(1,112,919)
Experience adjustment (best estimate) to funded plans in subsequent finance year	1,317,975	855,560	1,192,345	(2,582,234)	1,863,064

4.10 SEGMENTAL REPORTING

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

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

1	Wholly Owned Subsidiaries:	Bee Network & Communication Pvt. Ltd.
		Binary Technology Transfers Pvt. Ltd.
		Hathway C-Net Pvt. Ltd.
		Hathway Enjoy Cable Network Pvt. Ltd.
		Hathway Gwalior Cable & Datacom Pvt. Ltd.
		Hathway Internet Satellite Pvt. Ltd.
		Hathway JMD Farukhabad Cable Network Pvt Ltd.
		Hathway Media Vision Pvt. Ltd.
		Hathway Space Vision Cabletel Pvt. Ltd.
		Hathway United Cables Pvt. Ltd.
		Hathway Universal Cabletel & Datacom Pvt Ltd.
		Ideal Cables Pvt. Ltd.
		ITV Interactive Media Pvt. Ltd.
		Liberty Media Vision Pvt. Ltd.
		Vision India Networks Pvt. Ltd.
		Win Cable and Datacom Pvt. Ltd.
		Hathway Bhaskar Multinet Pvt. Ltd.
2	Other – Subsidiaries:	Chennai Cable Vision Network Pvt. Ltd.
		Channels India Network Pvt. Ltd
		Elite Cable Network Pvt. Ltd.
		Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.
		Hathway ICE Television Pvt. Ltd.
		Hathway Sonali Om Crystal Cable Pvt. Ltd.
		Hathway MCN Pvt. Ltd.
		Hathway Nashik Cable Network Pvt. Ltd.
		Hathway Krishna Cables Pvt. Ltd.
		Hathway Rajesh Multi channel Pvt. Ltd.
		Hathway Software Developers Pvt. Ltd
		UTN Cable Communications Pvt. Ltd.
		GTPL Hathway Pvt. Ltd (f.k.a. Gujarat Telelink Pvt. Ltd.)
		Hathway Latur MCN Cable & Datacom Pvt. Ltd.
		Hathway Channel 5 Cable & Datacom Pvt. Ltd.
		Hathway Mysore Cable Network Pvt. Ltd.
		Hathway Prime Cable & Datacom Pvt Ltd
		Hathway Mantra Cable & Datacom Pvt. Ltd.
		Hathway Jai Mata Di Sherawali Cable & Datacom Pvt Ltd.*
		Hathway Sai Star Cable & Datacom Pvt. Ltd.
		Hathway New Concept Cable & Datacom Pvt. Ltd.
		Hathway Palampur Cable Network Pvt. Ltd.
		Hathway Cable MCN Nanded Pvt. Ltd.
		Net 9 Online Hathway Pvt. Ltd.
		Hathway Bhawani Cabletel and Datacom Ltd.
		Hathway Dattatray Cable Network Pvt. Ltd.
		Hathway Bhaskar CCN Multinet Pvt. Ltd
		Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.
		Hathway Bhaskar CBN Multinet Pvt. Ltd.
		Hathway Bhaskar CCN Multit Entertainment Pvt. Ltd.
		Hathway Kokan Crystal Cable Network Pvt. Ltd.

ii) Other related parties with whom transaction has taken place during the year :

1	Joint Ventures	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.
		Hathway SS Cable & Datacom - LLP
2	Associate Company	Pan Cable Services Pvt. Ltd.
		Hathway VCN Cabletel Pvt. Ltd.
3	Key Managerial Personnel	Jagdish Kumar G Pillai - Managing Director (w.e.f December 21,2012)
		K Jayaraman - Managing Director (up to December 21, 2012)

Hathway Cable & Datacom Limited

B) Related Party Transactions

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

(Amount in Rupees)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Key Management Personal	Grand Total
<u>INCOME</u>					
<u>Consultancy Income</u>					
Hathway MCN Pvt Ltd	2012-13	5,539,417			5,539,417
	2011-12	(8,950,000)			(8,950,000)
Hathway Rajesh Multi Channel Pvt Ltd	2012-13	7,200,000			7,200,000
	2011-12	(9,511,111)			(9,511,111)
Hathway Sai Star Cable & Datacom Pvt Ltd	2012-13	20,940,000			20,940,000
	2011-12	(30,940,000)			(30,940,000)
Hathway Sonali Om Crystal Cable Pvt Ltd	2012-13	18,193,740			18,193,740
	2011-12	(18,836,091)			(18,836,091)
Hathway SS Cable & Datacom LLP	2012-13		910,000		910,000
	2011-12		-		-
Others	2012-13	12,468,271			12,468,271
	2011-12	(11,517,123)			(11,517,123)
Total		64,341,428	910,000		65,251,428
		(79,754,325)	-		(79,754,325)
<u>Interest - Cable Ventures</u>					
GTPL Hathway Pvt. Ltd	2012-13	8,033,420			8,033,420
	2011-12	(7,426,849)			(7,426,849)
Others	2012-13	200,342			200,342
	2011-12	-			-
Total		8,233,762	-	-	8,233,762
		(7,426,849)	-	-	(7,426,849)
<u>Other Operational Income</u>					
Hathway Bhaskar Multinet Pvt Ltd	2012-13	8,042,978			8,042,978
	2011-12	(7,606,200)			(7,606,200)
Hathway Ice Television Pvt. Ltd.	2012-13	-			-
	2011-12	(2,100,000)			(2,100,000)
Hathway New Concept Cable & Datacom Pvt Ltd	2012-13	3,539,265			3,539,265
	2011-12	(2,400,000)			(2,400,000)
Others	2012-13	1,177,086			1,177,086
	2011-12	(1,557,641)			(1,557,641)
Total		12,759,329	-	-	12,759,329
		(13,663,841)	-	-	(13,663,841)
<u>Rental Income on Equipments</u>					
GTPL Hathway Pvt. Ltd	2012-13	8,719,034			8,719,034
	2011-12	(16,900,365)			(16,900,365)
Hathway Bhaskar Multinet Pvt Ltd	2012-13	-			-
	2011-12	(4,920,866)			(4,920,866)
Others	2012-13	396,704			396,704
	2011-12	(396,704)			(396,704)
Total		9,115,738	-	-	9,115,738
		(22,217,935)	-	-	(22,217,935)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Key Management Personal	Grand Total
<u>Subscription Income</u>					
Hathway Bhawani Cabletel & Datacom Ltd.	2012-13	25,329,739			25,329,739
	2011-12	(11,809,503)			(11,809,503)
Hathway Krishna Cable Pvt Ltd	2012-13	19,140,000			19,140,000
	2011-12	(13,081,165)			(13,081,165)
Hathway Media Vision Pvt Ltd	2012-13	1,583,333			1,583,333
	2011-12	(49,118,528)			(49,118,528)
Hathway New Concept Cable & Datacom Pvt Ltd	2012-13	29,682,530			29,682,530
	2011-12	(29,669,038)			(29,669,038)
Hathway Sonali Om Crystal Cable Pvt Ltd	2012-13	16,025,250			16,025,250
	2011-12	(1,938,364)			(1,938,364)
Others	2012-13	28,507,380			28,507,380
	2011-12	(32,295,163)			(32,295,163)
Total		120,268,232 (137,911,761)	- -	- -	120,268,232 (137,911,761)
<u>EXPENSES</u>					
<u>Distribution Cost</u>					
Hathway Bhaskar Multinet Pvt Ltd	2012-13	59,765,028			59,765,028
	2011-12	(133,735,379)			(133,735,379)
Hathway Sai Star Cable & Datacom Pvt Ltd	2012-13	50,433,331			50,433,331
	2011-12	(21,080,550)			(21,080,550)
Hathway Sonali Om Crystal Cable Pvt Ltd	2012-13	60,000,000			60,000,000
	2011-12	-			-
Others	2012-13	211,381,859	-		211,381,859
	2011-12	(194,616,900)	(629,935)		(195,246,835)
Total		381,580,218 (349,432,829)	- (629,935)	- -	381,580,218 (350,062,764)
<u>Feed charges Paid</u>					
Hathway MCN Pvt Ltd	2012-13	18,000,000			18,000,000
	2011-12	(22,186,729)			(22,186,729)
Hathway software Pvt. Ltd	2012-13	7,210,620			7,210,620
	2011-12	(7,210,622)			(7,210,622)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd	2012-13		53,400		53,400
	2011-12	-	-		-
UTN Cable Communication Pvt. Ltd.	2012-13	6,540,396			6,540,396
	2011-12	(6,567,396)			(6,567,396)
Others	2012-13	3,722,495			3,722,495
	2011-12	(2,370,592)			(2,370,592)
Total		35,473,511 (38,335,339)	53,400 -	- -	35,526,911 (38,335,339)
<u>Interest on Loan</u>					
UTN Cable Communication Pvt.Ltd.	2012-13	605,003			605,003
	2011-12	(606,659)			(606,659)
Total		605,003 (606,659)	- -	- -	605,003 (606,659)
<u>Other Expenses</u>					
Hathway Bhawani Cabletel & Datacom Ltd.	2012-13	605,840			605,840
	2011-12	-			-
Hathway software Pvt. Ltd	2012-13	352,319			352,319
	2011-12	(384,000)			(384,000)
Liberty Media Vision Pvt. Ltd	2012-13	17,578			17,578
	2011-12	(85,435)			(85,435)
Others	2012-13	-		21,605,574	21,605,574
	2011-12	(49,864)		(14,010,487)	(14,060,351)
Total		975,737	-	21,605,574	22,581,311

Hathway Cable & Datacom Limited

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Key Management Personal	Grand Total
		(519,299)	-	(14,010,487)	(14,529,786)
<u>Service Charges</u>					
Hathway Media Vision Pvt Ltd	2012-13	122,498,474			122,498,474
	2011-12	(112,118,031)			(112,118,031)
Total		122,498,474	-	-	122,498,474
		(112,118,031)	-	-	(112,118,031)
<u>Purchase of Assets</u>					
Hathway Bhawani Cabletel & Datacom Ltd.	2012-13	-			-
	2011-12	(694,232)			(694,232)
Total		-	-	-	-
		(694,232)	-	-	(694,232)
<u>Sale of Assets</u>					
Hathway Bhaskar Multinet Pvt Ltd	2012-13	3,505,583			3,505,583
	2011-12	(55,780,998)			(55,780,998)
Hathway Bhawani Cabletel & Datacom Ltd.	2012-13	10,148,889			10,148,889
	2011-12	(2,780,000)			(2,780,000)
Hathway New Concept Cable & Datacom Pvt Ltd	2012-13	34,242,761			34,242,761
	2011-12	(16,494,656)			(16,494,656)
Hathway Sukhamrit Cable & Datacom Pvt Ltd	2012-13	-	-		-
	2011-12	(2,582,985)	(2,582,985)		(2,582,985)
Others	2012-13	17,720,098			17,720,098
	2011-12	(6,093,810)			(6,093,810)
Total		65,617,331	-	-	65,617,331
		(81,149,464)	(2,582,985)	-	(83,732,449)
<u>TRANSACTION DURING THE YEAR</u>					
<u>Provision Against Investments made during the year</u>					
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2012-13	-			-
	2011-12	(62,819,311)			(62,819,311)
Others	2012-13	-			-
	2011-12	(100,000)			(100,000)
Total		-	-	-	-
		(62,919,311)	-	-	(62,919,311)
<u>Provision Against Advances made during the year</u>					
Ideal Cables Pvt. Ltd.	2012-13	1,125,676			1,125,676
	2011-12	-			-
Win Cable & Datacom Pvt. Ltd.	2012-13	1,304,496			1,304,496
	2011-12	(2,500,247)			(2,500,247)
Hathway Cable Entertainment Private Limited	2012-13	817,423			817,423
	2011-12	-			-
Hathway Gwalior Cable & Datacom Pvt. Ltd.	2012-13	-			-
	2011-12	(5,181,036)			(5,181,036)
Others	2012-13	54,761			54,761
	2011-12	-			-
Total		3,302,355	-	-	3,302,355
		(7,681,283)	-	-	(7,681,283)
<u>Provision Against Debtors made during the year</u>					
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2012-13	19,048,143			19,048,143
	2011-12	-			-

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Key Management Personal	Grand Total
Hathway Krishna Cable Pvt. Ltd.	2012-13	23,705,859			23,705,859
	2011-12	-			-
Liberty Media Vision Pvt. Ltd.	2012-13	164,848			164,848
	2011-12	(791,990)			(791,990)
Hathway Gwalior Cable & Datacom Pvt. Ltd.	2012-13	271,804			271,804
	2011-12	(876,258)			(876,258)
Total		43,190,655 (1,668,248)	- -	- -	43,584,986 (1,668,248)
<u>Provision against advances written back during the year</u>					
Ideal Cables Pvt. Ltd.	2012-13	-			-
	2011-12	(7,018,994)			(7,018,994)
Hathway VCN Cablenet Pvt. Ltd.	2012-13	-			-
	2011-12	(3,694,558)			(3,694,558)
Others	2012-13	394,331			394,331
	2011-12	-			-
Total		394,331 (10,713,552)	- -	- -	394,331 (10,713,552)
<u>Net Advances Made During the Year</u>					
Hathway Krishna Cable Pvt. Ltd.	2012-13	3,886,009			3,886,009
	2011-12	(25,319,109)			(25,319,109)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2012-13	43,586,232			43,586,232
	2011-12	(11,031,326)			(11,031,326)
Hathway Software Developers Pvt. Ltd.	2012-13	7,007,464			7,007,464
	2011-12	-			-
Hathway Bhaskar Multinet Pvt. Ltd.	2012-13	101,525,396			101,525,396
	2011-12	(829,872)			(829,872)
Hathway SS Cable & Datacom - LLP	2012-13		4,739,535		4,739,535
	2011-12		-		-
Others	2012-13	33,997,651			33,997,651
	2011-12	(17,054,261)			(17,054,261)
Total		190,002,753 (54,234,568)	4,739,535 -	- -	194,742,288 (54,234,568)
<u>Net Advances Recovered During the Year</u>					
Hathway MCN Pvt. Ltd.	2012-13	-			-
	2011-12	(21,686,828)			(21,686,828)
GTPL Hathway Pvt. Ltd.	2012-13	53,155,667			53,155,667
	2011-12	(43,677,214)			(43,677,214)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2012-13		19,352,532		19,352,532
	2011-12		(2,905,856)		(2,905,856)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2012-13	22,515,416			22,515,416
	2011-12	-			-
Hathway Sai Star Cable & Datacom Pvt. Ltd.	2012-13	21,329,869			21,329,869
	2011-12	-			-
K. Jayaraman	2012-13			1,327,126	1,327,126
	2011-12			-	-
Others	2012-13	34,988,735			34,988,735
	2011-12	(76,302,421)			(76,302,421)
Total		131,989,687 (141,666,463)	19,352,532 (2,905,856)	1,327,126 -	152,669,345 (144,572,319)
<u>Net Investment / Advances / Debtors Write Off During the Year</u>					
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	2012-13	20,872,199			20,872,199

Hathway Cable & Datacom Limited

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Key Management Personal	Grand Total
Total	2011-12	-			-
		20,872,199	-	-	20,872,199
		-	-	-	-
<u>Share Application Money given during the year</u>					
GTPC Hathway Pvt. Ltd.	2012-13	-			-
	2011-12	(90,000,000)			(90,000,000)
Hathway Software Developers Pvt. Ltd.	2012-13	16,250,000			16,250,000
	2011-12	-			-
Total		16,250,000	-	-	16,250,000
		(90,000,000)	-	-	(90,000,000)
<u>Investment made during the year</u>					
Hathway MCN Pvt. Ltd.	2012-13	11,474,959			11,474,959
	2011-12	(24,000,000)			(24,000,000)
GTPL Hathway Pvt. Ltd.	2012-13	130,000,000			130,000,000
	2011-12	(90,000,000)			(90,000,000)
Hathway Bhaskar Multinet Pvt. Ltd.	2012-13	168,390,719			168,390,719
	2011-12	-			-
Others	2012-13	-			-
	2011-12	(19,669,586)			(19,669,586)
Total		309,865,678	-	-	309,865,678
		(133,669,586)	-	-	(133,669,586)
<u>Investment Sold during the year</u>					
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2012-13		-		-
	2011-12		(820,945)		(820,945)
Total		-	-	-	-
		-	(820,945)	-	(820,945)
<u>Closing Balances as at March 31, 2013</u>					
<u>Investments</u>					
GTPL Hathway Pvt. Ltd.	2012-13	1,470,721,167			1,470,721,167
	2011-12	(1,340,721,167)			(1,340,721,167)
Hathway Bhaskar Multinet Pvt. Ltd.	2012-13	559,602,458			559,602,458
	2011-12	(391,211,739)			(391,211,739)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2012-13		40,200,839		40,200,839
	2011-12		(40,200,839)		(40,200,839)
Hathway SS Cable & Datacom - LLP	2012-13		17,304,006		17,304,006
	2011-12		-		-
Others	2012-13	1,047,170,556	1,006,232		1,048,176,788
	2011-12	(1,042,754,368)	(1,006,232)		(1,043,760,600)
Total		3,077,494,181	58,511,077	-	3,136,005,258
		(2,774,687,274)	(41,207,071)	-	(2,815,894,345)
<u>Provision for Diminution in value of Investment</u>					
Chennai Cable Vision Network Pvt. Ltd.	2012-13	5,634,482			5,634,482
	2011-12	(5,634,482)			(5,634,482)
Channels India Network Pvt. Ltd.	2012-13	10,855,000			10,855,000
	2011-12	(10,855,000)			(10,855,000)
Hathway C Net Pvt. Ltd.	2012-13	5,985,000			5,985,000
	2011-12	(5,985,000)			(5,985,000)
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	2012-13	-			-
	2011-12	(8,000,000)			(8,000,000)
Vision India Network Pvt. Ltd.	2012-13	7,439,500			7,439,500
	2011-12	(7,439,500)			(7,439,500)

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Key Management Personal	Grand Total
Hathway VCN Cablenet Pvt. Ltd.	2012-13		1,006,132		1,006,132
	2011-12		(1,006,132)		(1,006,132)
Others	2012-13	13,992,540	100		13,992,640
	2011-12	(13,992,540)	(100)		(13,992,640)
Total		43,906,522	1,006,232	-	44,912,754
		(51,906,522)	(1,006,232)	-	(52,912,754)
<u>Loans & advances</u>					
Hathway Nashik Cable Network Pvt. Ltd.	2012-13	104,087,351			104,087,351
	2011-12	(104,087,351)			(104,087,351)
Win Cable & Datacom Pvt. Ltd.	2012-13	203,920,906			203,920,906
	2011-12	(202,616,411)			(202,616,411)
GTPL Hathway Pvt. Ltd	2012-13	185,094,589			185,094,589
	2011-12	(226,665,383)			(226,665,383)
Hathway VCN Cablenet Pvt. Ltd.	2012-13		55,140,653		55,140,653
	2011-12		(55,140,653)		(55,140,653)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2012-13		2,192,845		2,192,845
	2011-12		(2,192,845)		(2,192,845)
K. Jayaraman	2012-13			1,440,786	1,440,786
	2011-12			(2,767,912)	(2,767,912)
Others	2012-13	222,103,208	5,877,927		227,981,135
	2011-12	(187,062,781)	(5,877,927)		(192,940,708)
Total		715,206,054	63,211,427	1,440,786	779,858,265
		(720,431,926)	(63,211,427)	(2,767,912)	(786,411,264)
<u>Provision for Doubtful Advances</u>					
Hathway Nashik Cable Network Pvt. Ltd.	2012-13	104,087,351			104,087,351
	2011-12	(104,087,351)			(104,087,351)
Win Cable & Datacom Pvt. Ltd.	2012-13	203,920,906			203,920,906
	2011-12	(202,616,411)			(202,616,411)
Hathway VCN Cablenet Pvt. Ltd.	2012-13		55,140,654		55,140,654
	2011-12		(55,140,654)		(55,140,654)
Others	2012-13	102,021,336	5,877,927		107,899,263
	2011-12	(106,262,381)	(5,877,927)		(112,140,308)
Total		410,029,593	61,018,581	-	471,048,174
		(412,966,143)	(61,018,581)	-	(473,984,724)
<u>Trade Receivables</u>					
GTPL Hathway Pvt. Ltd	2012-13	69,086,900			69,086,900
	2011-12	(80,671,773)			(80,671,773)
Hathway Bhaskar Multinet Pvt. Ltd.	2012-13	137,605,903			137,605,903
	2011-12	(73,091,452)			(73,091,452)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2012-13	79,893,110			79,893,110
	2011-12	(36,306,878)			(36,306,878)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2012-13		22,780,894		22,780,894
	2011-12		(42,133,426)		(42,133,426)
Others	2012-13	185,751,956	4,739,535		190,491,492
	2011-12	(221,620,796)	-		(221,620,796)
Total		472,337,869	27,520,429	-	499,858,298
		(411,690,899)	(42,133,426)	-	(453,824,325)
Provision for Bad & Doubtful Debt					
Bee Network & Communications Pvt. Ltd	2012-13	9,734,872			9,734,872
	2011-12	(9,734,872)			(9,734,872)
Channels India Network Pvt. Ltd.	2012-13	13,269,084			13,269,084

Hathway Cable & Datacom Limited

Transactions	Year	Subsidiary	Associate Company / Joint Ventures	Key Management Personal	Grand Total
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	2011-12	(13,269,084)			(13,269,084)
	2012-13	-			-
Liberty Media Vision Pvt. Ltd.	2011-12	(7,450,717)			(7,450,717)
	2012-13	11,571,907			11,571,907
Vision India Network Pvt. Ltd.	2011-12	(11,407,058)			(11,407,058)
	2012-13	18,471,957			18,471,957
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2011-12	(18,471,957)			(18,471,957)
	2012-13	19,048,143			19,048,143
Hathway Krishna Cable Pvt. Ltd.	2011-12	-			-
	2012-13	23,705,859			23,705,859
Others	2011-12	-			-
	2012-13	6,039,018			6,039,018
	2011-12	(5,625,975)			(5,625,975)
Total		101,840,840	-	-	101,840,840
		(65,959,664)	-	-	(65,959,664)
<u>Trade Payables</u>					
Hathway Media Vision Pvt. Ltd.	2012-13	14,308,627			14,308,627
	2011-12	(10,393,367)			(10,393,367)
UTN Cable Communications Pvt. Ltd.	2012-13	13,923,107			13,923,107
	2011-12	(8,666,153)			(8,666,153)
Hathway Bhaskar Multinet Pvt. Ltd.	2012-13	58,415,891			58,415,891
	2011-12	(71,614,133)			(71,614,133)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2012-13	18,879,952			18,879,952
	2011-12	-			-
Others	2012-13	22,532,294			22,532,294
	2011-12	(26,833,720)			(26,833,720)
Total		128,059,871	-	-	128,059,871
		(117,507,373)	-	-	(117,507,373)

In Addition to aforementioned transactions, the Company has given Corporate Guarantees of Rs.933,000,000 (March 31, 2012: Rs.853,000,000) on behalf of GTPL Hathway Pvt. Ltd., Rs.100,000,000 (March 31, 2012: Rs.100,000,000) on behalf of Hathway Bhaskar Multinet Pvt. Ltd. and Rs. 39,500,000 (March 31, 2012: Rs.9,500,000) on behalf of Hathway MCN Pvt Ltd.

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

*Refer Note No 4.03 (b)

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

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

NAME OF RELATED PARTY	YEAR			YEAR		
	March 31, 2013			March 31, 2012		
	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.^	15,534,498	-	15,534,498	5,534,498	-	5,534,498
Hathway Software Developers Pvt. Ltd. ^^	8,750,000	-	8,750,000	-	-	-
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	-	2,192,845	2,192,845	-	2,192,845	2,192,845
Hathway Media Vision Pvt. Ltd.	21,117,820	-	21,117,820	21,117,820	-	21,117,820
UTN Cable Communications Pvt. Ltd.	11,110,911	-	11,110,911	11,110,911	-	11,110,911
Hathway Ice Television Pvt. Ltd.	7,763,079	-	7,763,079	7,763,079	-	7,763,079
Hathway MCN Pvt. Ltd.	823,331	-	823,331	823,331	-	3,121,137
GTPL Hathway Pvt. Ltd. **	185,094,589	-	232,735,288	226,665,383	-	226,665,383

NAME OF RELATED PARTY	YEAR			YEAR		
	March 31, 2013			March 31, 2012		
	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	UNDER CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Net 9 Online Hathway Pvt. Ltd.	2,017,642	-	2,018,254	2,017,642	-	2,017,642
Hathway Sonali Om Crystal Cable Pvt. Ltd.	1,127,235	-	1,127,235	1,127,235	-	1,127,235
Hathway Gwalior Cable & Datacom Pvt. Ltd.	5,181,036	-	6,779,992	5,181,036	-	10,694,579
Hathway Enjoy Cable Network Pvt. Ltd.	43,528	-	45,599	43,528	-	64,976
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	1,696,999	-	1,696,999	1,696,999	-	1,918,273
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	2,974,900	-	3,742,629	3,742,629	-	4,706,672
Hathway Cable Entertainment Pvt. Ltd.	817,423	-	817,423	817,423	-	817,423
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	-	5,421,482	5,421,482	-	5,421,482
Hathway JMD Farukhabad Cable Network Pvt. Ltd.	11,233	-	23,602	11,233	-	23,042
Hathway Cable MCN Nanded Pvt. Ltd.	2,134,060	-	2,134,060	2,134,060	-	2,242,410
Hathway Dattatray Cable Network Pvt. Ltd.	4,743,729	-	4,743,729	4,743,729	-	4,743,729
Hathway Mantra Cable & Datacom Pvt. Ltd.	30,321	-	32,381	30,321	-	61,400
Hathway Bhaskar Multinet Pvt. Ltd.	38,674,339	-	39,337,234	8,330,076	-	8,330,076
Hathway Prime Cable & Datacom Pvt. Ltd.	212,569	-	212,569	212,569	-	212,569
Hathway Krishna Cable Pvt. Ltd.	1,587,532	-	1,587,532	1,587,532	-	2,005,688
Hathway New Concept Cable & Datacom Pvt. Ltd.	438,551	-	438,551	438,551	-	476,119
Hathway Konkan Crystal Cable Network Pvt. Ltd.	70,349	-	70,349	70,349	-	70,349
Bee Network & Communications Pvt. Ltd.*	3,694,558	-	3,694,558	3,694,558	-	3,697,058
Binary Technology Transfers Pvt. Ltd.*	15,909,137	-	15,909,137	15,909,137	-	15,909,137
Chennai Cable Vision Network Pvt. Ltd.*	19,718,767	-	19,718,767	19,718,767	-	19,718,767
Channels India Network Pvt. Ltd.*	64,205	-	64,205	64,205	-	64,205
Elite Cable Network Pvt. Ltd.*	195,728	-	195,728	195,728	-	195,728
Hathway C Net Pvt. Ltd.*	4,463,282	-	4,463,282	4,463,282	-	4,595,142
Hathway Internet & Satellite Pvt. Ltd.*	15,915,359	-	15,915,359	15,915,359	-	15,915,359
Hathway Nashik Cable Network Pvt. Ltd.*	104,087,351	-	104,087,351	104,087,351	-	104,087,351
Hathway Space Vision Cabletel Pvt. Ltd.*	10,418,080	-	10,423,214	10,418,080	-	10,419,580
Hathway Universal Cabletel & Datacom Pvt. Ltd.*	230,744	-	233,324	230,744	-	233,344
Ideal Cables Pvt. Ltd.*	4,388,902	-	4,388,902	4,388,902	-	4,415,677
ITV Interactive Media Pvt. Ltd.*	4,503,940	-	4,503,940	4,503,940	-	5,203,933
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.*	-	1,109,559	1,109,559	-	1,109,559	1,109,559
Liberty Media Vision Pvt. Ltd.*	12,743,309	-	12,743,309	12,743,309	-	12,775,008
Vision India Network Pvt. Ltd.*	2,183,170	-	2,183,170	2,183,170	-	2,185,670
Win Cable & Datacom Pvt. Ltd.*	203,920,906	-	203,917,907	202,616,411	-	203,696,843
Hathway Space Vision (Firm)*	-	169,945,473	169,945,473	-	169,945,473	170,029,403
Pan Cable Services Pvt. Ltd.*	-	5,877,927	5,877,927	-	5,877,927	5,877,927
Hathway Jai Mata Di Balaji Cable Network*	-	1,630,366	1,630,366	-	1,630,366	1,630,366
Hathway VCN Cablenet Pvt. Ltd.*	-	55,140,654	55,140,654	-	55,140,654	55,140,654

* These loans and advances in the nature of loans to firms/companies in which directors are interested

** Interest levied on Rs.60,000,000 (March 31, 2012 : Rs. 60,000,0000)

^ Interest levied on Rs.10,000,000 (March 31, 2012 : Rs. Nil)

^^ Interest levied on Rs. 8,750,000 (March 31, 2012 : Rs. Nil)

All the above loans are repayable on demand except GTPL Hathway Pvt. Ltd. & Hathway Bhaskar Multinet Pvt. Ltd. which is payable after April 01, 2014

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

Name of the Party	March 31, 2013		March 31, 2012	
	Balance Outstanding	Maximum Amount outstanding during the year	Balance Outstanding	Maximum Amount outstanding during the year
K Jayaraman	Nil	2,767,912	2,767,912	2,767,912
Arun Singh	1,973,793	2,243,793	2,243,793	2,513,793
Bharat Pandit	965,692	965,692	965,692	965,692
Sanjay Ghagare	500,000	500,000	500,000	500,000
Shankar Nair	500,000	500,000	500,000	500,000
A Sivaraman	100,000	100,000	100,000	100,000
Stanley Palanna	Nil	Nil	Nil	268,364
Devidas Dahale	Nil	Nil	Nil	500,000
Hathway Cabletech Services Private Limited	Nil	Nil	Nil	7,700,000

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

4.14 LEASES

(a) Finance Leases (As Lessee):

Lease rentals outstanding as at March 31, 2013 in respect of fixed assets taken on finance lease are as under:

Due	Total minimum lease payments outstanding as at March 31, 2013	Interest not due	Present value of minimum lease payments as at March 31, 2012
Not Later than 1 year	128,260,933	58,258,734	70,002,199
	(96,701,702)	(15,647,994)	(81,053,708)
Later than 1 year and not later than 5 years	680,223,674	122,353,962	557,869,712
	(122,484,919)	(12,290,019)	(110,194,900)
Later than 5 years	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)
Total	808,484,607	180,612,696	627,871,911
	(219,186,621)	(27,938,013)	(191,248,608)

Finance Lease obligation of Long-Term Borrowing (Ref: Note No: 2.03) include Rs. 627,871,907 (March 31, 2012: Rs.188,815,625) payable to lessor under finance lease arrangement.

Previous year figures are mentioned in brackets.

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

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

Particulars	2012-13	2011-12
Rental Expense debited to Statement of Profit and Loss	77,202,819	37,608,569
Payable in the next one year	65,297,578	23,100,906
Payable after next one year but Before next five years	151,641,972	2,625,800
Payable after five years	8,177,510	Nil

(d) Details of Cancellable Leases are as under:

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

Rental Expenses debited to the Statement of Profit and Loss Rs.75,315,569 (March 31, 2012: Rs. 228,879,929)

(e) Operating Leases (As Lessor):

Particulars	2012-13	2011-12
Gross Carrying Amount of Assets capitalized as Plant & Machinery and given on operating lease	128,945,830	128,945,830
Depreciation for the year	11,240,548	12,638,547

4.15 EARNINGS \ (LOSS) PER SHARE

Particulars	2012-13	2011-12
Profit \ (Loss) after tax (but including prior period adjustments) – (Rs.)	31,969,914	(516,733,350)
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Basic EPS	143,173,200	142,857,100
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Diluted EPS	143,248,990	142,857,100
Nominal value of ordinary shares (Rs.) (Face Value restated)	10	10
Basic EPS before extraordinary items	0.22	(3.62)
Diluted EPS before extraordinary items	0.22	(3.62)
Basic EPS after extraordinary items	0.22	(3.62)
Diluted EPS after extraordinary items	0.22	(3.62)

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

4.16 JOINT VENTURES

The Company has the following Joint Venture arrangements in the capacity of a Venturer as on March 31, 2013 :

- Hathway Sukhamrit Cable and Datacom Private Limited*
- Hathway SS Cable & Datacom - LLP**

With respect to above, the country of incorporation, proportion of ownership control and the proportionate share of each of Assets, Liabilities, Income and Expenses as per the Financial Statement for the year ended on March 31, 2013 is listed below:

Joint Venture	Country of Incorporation	% Of Shareholding / Ownership Control	Proportionate share of Income	Proportionate share of Expense	Proportionate share of Assets	Proportionate share of Liabilities	Proportionate share of Contingent Liabilities and capital commitments
Hathway Sukhamrit Cable and Datacom Pvt. Ltd.*	India	49.00%	(97,301,838)	(84,633,859)	(158,568,619)	(119,356,551)	(Nil)
Hathway SS Cable & Datacom - LLP**	India	51.00%	9,634,133 (-)	8,268,778 (-)	22,673,912 (-)	4,763,558 (-)	Nil (-)

* In the absence of the financial statement for the period 2012-13, data for the current year not provided

** Incorporated in current year.

4.17 DEFERRAL/CAPITALIZATION OF EXCHANGE DIFFERENCES

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

In accordance with the amendment/earlier amendment to AS 11, the company has capitalized exchange gain / (loss), arising on long-term foreign currency loan, amounting to Rs. (15,01,91,250) [March 31, 2012: Rs.(4,89,30,843)] to the cost of plant and equipment's. The company has also capitalized exchange gain / (loss), arising on long-term foreign forward contract, undertaken to partially hedge the foreign current loan, amounting to Rs. (62,48,353) (Previous Year Rs.46,18,573) to the cost of plant and equipments. The company does not have any other long-term foreign currency monetary item. Hence, the amount of exchange loss deferred in the "Foreign Currency Monetary Item Translation Difference Account" is Rs. NIL (March 31, 2011:Rs. NIL).

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

Particulars		2012-13	2011-12
		(Rs.)	(Rs.)
A	CIF Value of Imports:		
	Capital Goods	3,841,337,998	1,332,095,089
	Stores, Spares and Others	10,786,733	9,358,543
B	Consumption Details of Stores, Spares & Others:		
	Value of Imported Stores, Spares & Others consumed during year	1,136,618	4,972,509
	Percentage of total consumption	9.79%	37.91%
	Value of Indigenous Stores, Spares & Others consumed during year	10,476,808	8,145,401
	Percentage of total consumption	90.21%	62.09%
C	Expenditure in foreign currency		
	Interest	56,383,529	15,049,446
	Subscription Charges	22,020,458	81,681,686
	Repairs and Maintenance	1,678,080	2,611,581
	Foreign Travel	3,655,778	8,760,725
	Others	3,342,560	630,685
D	Earning in foreign currency	64,365,000	Nil

4.19 UNHEDGED FOREIGN CURRENCY EXPOSURE

Currency	March 31, 2013			March 31, 2012		
	Amount in Foreign Currency	Exchange Rate	Amount in INR	Amount in Foreign Currency	Exchange Rate	Amount in INR
Secured Loans						
USD	36,112,573	54.37	1,963,260,057	10,466,598	50.88	532,514,346
JPY	117,993	0.58	68,046	-	-	-
Accounts Payables						
USD	32,204,689	54.37	1,750,807,919	8,051,468	50.88	409,638,588
JPY	1,803,500	0.58	1,040,069			
Other Firm Commitments						
USD	36,339,329	54.37	1,975,587,602	23,360,242	50.88	1,188,510,718

4.20 MANAGERIAL REMUNERATION

"In respect of erstwhile Managing Director & CEO, the Company had made an application to the Central Government seeking approval for payment of remuneration for a period of three years beginning from August 8, 2010 in excess of limits prescribed under section 198 and 309 read with Schedule XIII to the Companies Act, 1956. The additional information called for by the Central Government have been furnished. While responding to the above application, the Central Government has directed the Company to either recover or apply for waiver of the remuneration paid in excess of remuneration prescribed under the said schedule during the period August 26, 2009 (the date on which the status of the Company change to public limited company) to August 7, 2010. The Company had paid remuneration at minimum scale prescribed under Schedule XIII to the Act during the period February 7, 2010 to August 7, 2010 and hence there is no question of having paid excess remuneration. The remuneration for the period prior to that was finalized when the Company was a private company and accordingly, as legally advised; the Company was not required to apply the Government for the approval. However, as required by the Central Government, the Company has applied for the waiver of remuneration as well as sitting fees for the period August 26, 2009 to February 7, 2010.

He continued as MD & CEO till December 21, 2012 and subsequently, was appointed as Vice-Chairman & Director of the Company. His resignation from the post of Vice Chairman and Director has been accepted with effect from February 28, 2013 and May 29, 2013 respectively. Expenses have been recognized based on salary package approved by the shareholders, however, approval of the Central Government is awaited.

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

Particulars	Amount (Rs.)			
	March 31, 2013		March 31, 2012	
	Amount Proposed	Amount utilized	Amount Proposed	Amount utilized
Utilization of funds				
Acquisition of Customers	150,000,000	124,869,224	150,000,000	123,339,000
Investment in the development of digital capital expenditure, services and set top boxes	3,250,000,000	3,250,000,000	3,250,000,000	2,118,538,000
Investment in the development of broadband infrastructure, capital expenditure and services				
Repayment of loans	1,900,000,000	1,900,000,000	1,900,000,000	1,894,341,590
General Corporate Purpose	500,000,000	500,000,000	500,000,000	-
Interim use of fund (paying down short term credit limit)	-	25,130,776	-	244,198,000
Total	5,800,000,000	5,800,000,000	5,800,000,000	4,380,416,590
Less: To be funded by Borrowings	1,000,000,000	1,000,000,000	1,000,000,000	318,891,000
Total	4,800,000,000	4,800,000,000	4,800,000,000	4,061,525,590
Balance Unutilised	-	-	-	738,474,410

Unutilised Balance has been invested as stated below:

	March 31, 2013	March 31, 2012
Mutual funds	-	66,674,410
Bank Balance	-	550,000,000
Margin Money in Banks	-	121,800,000
Total		738,474,410

- 4.22 With effect from November 01, 2012 vide notification no S.O.1408(E) dated June 21, 2012, DAS was introduced in the four metropolitan cities of the country. Under DAS scenario, the Company as well as other Multi System Operators are in the process of finalizing the fresh terms of revenue sharing arrangement with the Local Cable Operators through whom cable television services are rendered to ultimate subscribers. Pending finalization of legally enforceable contracts / arrangements, the Company has estimated activation fees and subscription and has raised invoices. Such estimation is based on ongoing discussions with LCOs, market trend and also considering the collections made till date. Since such estimation are on conservative basis, the management has reasonable certainty of collecting the amount billed to the LCOs. The management has reviewed the status on constant basis and wherever felt necessary, has issued credit notes to reverse the revenue.

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

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & C.E.O

(MILIND KARNIK)
President & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai

Dated : May 29, 2013

Mumbai

Dated : May 29, 2013

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of HATHWAY CABLE & DATACOM LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of HATHWAY CABLE & DATACOM LIMITED ("the Company"), and its subsidiaries, jointly controlled entities and associates (the Company, its subsidiaries, jointly controlled entities and associates constitute "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2013 and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standard referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to:

- (a) Note no. 4.02 A (i), 4.02 A (ii) and 4.02 A(v) to Consolidated Financial Statements regarding exclusion of certain entities by the management from consolidation on account of outstanding disputes, liquidation and also considering the fact that the amount invested and advanced by the Company to these entities have been impaired;
- (b) Note no. 4.02 (iii) to Consolidated Financial Statements regarding exclusion of certain joint ventures partnership firms of one of the subsidiary of the Company from consolidation since the date from which such subsidiary became partner on account of criteria of effective joint control could not be fulfilled;
- (c) Note no. 4.20 to the Consolidated Financial Statements in respect of the application to Central Government for approval of managing director's remuneration provided in the books which is in excess of the limits specified under the Schedule XIII to the Companies Act, 1956 for which application is pending before the Central Government; and
- (d) Note no. 4.21 to Consolidated Financial Statements relating to basis of recognition of income in view of introduction of Digital Addressable System (DAS) by the Central Government in the metropolitan cities. In view of the prevailing circumstances, as explained in the said note, the Company has estimated its income from its networks located in these cities.

Our opinion is not qualified in respect of these matters

Report on Other Legal and Regulatory Requirements

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standards (AS) 21 "Consolidated Financial Statements", Accounting Standard (AS) 23, "Accounting for Investments in Associates" in Consolidation Financial Statements and Accounting Standards (AS) 27 "Financial Reporting of Interests in Joint Ventures".

Opinion

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

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

We have not audited the financial statements / consolidated financial statements of certain subsidiaries and joint ventures whose audited financial statements / consolidated financial statements reflect total assets of Rs. 8,264,585,653 as on March 31, 2013 and total revenues of Rs. 4,730,736,953 and net cash outflows of Rs.9,787,066 for the year ended March 31, 2013; and these financial statements have been audited by other auditors whose reports have been furnished to us for the purpose of consolidation and our opinion, in so far as it relates to the amounts included in respect of such subsidiaries and joint ventures is based solely on the report of other auditors.

Apart from above, as stated in Note no. 4.02 B of the Consolidated Financial Statement, in the case of subsidiaries and a joint venture having total assets of Rs.248,485,318 as on March 31, 2013 and total revenues of Rs.202,375,157 and net cash outflow of Rs.5,432,817 for the year ended on 31st March, 2013, the figures used for the consolidation are based on the un-audited provisional financial statements certified by nominee directors and are not audited by their auditors. Our opinion so far as it relates to the amounts included in respect of these subsidiaries and joint venture is based solely on such management certified financial statements.

For G.M.Kapadia & Co.
Chartered Accountants
Firm's Registration Number : 104767W

Atul Shah
Partner
Membership Number : 39569

Mumbai
Date : May 29, 2013

Consolidated Balance Sheet As At March 31, 2013

	Notes	As at March 31,	
		2013 Rupees	2012 Rupees
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2.01	1,431,732,000	1,429,051,000
Reserves and Surplus	2.02	6,792,248,989	6,598,471,209
Minority Interest		2,111,788,877	1,802,294,400
Non-Current Liabilities			
Long-Term Borrowings	2.03	6,690,813,782	2,699,574,448
Deferred Tax Liability	2.04	207,288,618	127,137,428
Other Long-Term Liabilities	2.05	98,987,035	138,792,789
Long-Term Provisions	2.06	14,189,271	11,865,603
Current Liabilities			
Short-Term Borrowings	2.07	761,815,900	212,827,457
Trade Payables	2.08	1,848,946,132	1,550,447,733
Other Current Liabilities	2.08	6,176,794,324	3,100,303,175
Short-Term Provisions	2.06	119,720,947	94,374,826
		26,254,325,875	17,765,140,068
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.09	11,931,827,101	6,968,891,946
Intangible Assets	2.10	2,428,240,874	2,244,396,656
Capital Work In Progress	2.09	2,132,240,212	1,005,366,137
Goodwill on Consolidation	4.06	2,069,369,628	1,946,736,408
Non-Current Investments	2.11	83,845,107	51,570,244
Deferred Tax Assets	2.12	40,406,008	23,957,348
Long-Term Loans and Advances	2.13	1,094,023,834	852,776,000
Trade Receivables	2.14	228,237,130	78,030,040
Other Non Current Assets	2.15	318,495,003	173,469,843
Current Assets			
Current Investments	2.16	-	105,424,427
Inventories	2.17	274,841,771	54,906,996
Trade Receivables	2.14	3,473,524,970	2,414,231,394
Cash and Bank Balances	2.18	545,465,795	968,419,400
Short-Term Loans & Advances	2.13	1,504,395,949	814,039,006
Other Current Assets	2.15	129,412,493	62,924,223
		26,254,325,875	17,765,140,068
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are integral part of the financial statements.			

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & C.E.O

(MILIND KARNIK)
President & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai

Dated : May 29, 2013

Mumbai

Dated : May 29, 2013

Consolidated Statement of Profit and Loss for the Year Ended March 31, 2013

	Note No.	Year ended March 31,	
		2013 Rupees	2012 Rupees
INCOME			
Revenue from Operations	3.01	11,325,241,103	10,121,201,352
Other Income	3.02	156,774,945	165,041,303
		11,482,016,048	10,286,242,655
EXPENDITURE			
Purchase of Stock-In-Trade	3.03	61,061,075	111,856,555
Changes in Stock In Trade	3.04	926,449	(7,289,957)
Operational Expenses	3.05	5,701,354,469	5,636,387,330
Employee Benefits Expense	3.06	960,558,749	925,763,843
Other Expenses	3.07	1,862,982,624	1,777,857,607
		8,586,883,366	8,444,575,378
Earnings Before Finance cost, Depreciation, Amortisation and Tax		2,895,132,682	1,841,667,277
Depreciation and Amortisation	3.08	1,622,455,634	1,408,815,250
Impairment of Tangible / Intangible Assets		38,072,234	33,997,179
Finance Cost	3.09	601,772,643	519,857,719
Profit / (Loss) Before Prior Period Items, Exceptional items and Tax		632,832,171	(121,002,871)
Prior Period Adjustments (Net)	4.08	(1,430,028)	43,118,199
Exceptional Items	3.10	79,318,731	104,489,597
Net Profit / (Loss) before Tax		554,943,468	(268,610,667)
Tax Expense:			
Current Tax		114,602,149	134,033,953
Deferred Tax		63,702,537	13,719,217
Excess/Short provision for taxation for earlier years		701,720	5,690,174
Net Profit / (Loss) for the Year		375,937,063	(422,054,011)
Amount transferred on change in stake in Subsidiaries/ Joint Ventures		29,634,182	31,174,966
Adjustment on Account of Non Consolidation of Subsidiaries		-	-
Minority Interest		249,364,271	102,134,664
Profit / (Loss) Share of Associates		781,653	1,201,827
Net Profit / (Loss) for the Year from Continuing Operations		156,988,628	(491,811,882)
Earnings per equity share (nominal value of share Rs. 10 each) from Continuing and Total operation	4.18		
Weighted Average Number of Shares - Basic		143,173,200	142,857,100
Earning / (Loss) Per Share (In Rs.) - Basic		1.10	(3.44)
Weighted Average Number of Shares - Diluted		143,248,990	142,857,100
Earning / (Loss) Per Share (In Rs.) - Diluted		1.10	(3.44)
Summary of Significant Accounting Policies	1.00		

Refer accompanying notes. These notes are integral part of the financial statements.

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & C.E.O

(MILIND KARNIK)
President & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai

Dated : May 29, 2013

Mumbai

Dated : May 29, 2013

Consolidated Cash Flow Statement for the year ended March 31, 2013

	Year ended March 31, 2013 Rupees	Year ended March 31, 2012 Rupees
1 CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT / (LOSS) BEFORE TAX	335,995,033	(338,368,539)
A Adjustment for :		
Depreciation / Amortisation / Impairment	1,660,527,868	1,442,802,102
Provision for Bad & Doubtful Debts	547,623,441	486,597,021
Bad Debts (Net)	24,772,334	46,585,329
Provision for Bad & Doubtful Advances	9,770,691	14,777,604
Amount no longer payable written back	(18,244,645)	(31,586,862)
Share of (Profit) / Loss in Partnership firms / associates	(781,653)	(1,201,827)
Provision / (Excess Provision Reversed) for leave encashment and gratuity	17,542,190	7,991,370
Preliminary Exp Written Off	86,394	102,405
Employee Compensation Expense	2,944,622	725,448
Unrealised Foreign Exchange Loss	(2,634,046)	54,546,192
Sundry Advances Written off	1,121,410	3,794,169
Minority Interest	(249,364,271)	(102,134,664)
Amount transferred on change in stake in Subsidiaries/ Joint Venture	(29,634,182)	(31,174,966)
Provision for Doubtful Advances to Subsidiaries & Associates (Net of adjustments)	2,352,991	6,560,060
Loss on Shortages / Impairment of Tangible Assets of Tamilnadu	-	104,333,068
Sundry Balance Write-back for Previous Year for Tamilnadu	-	(10,444,370)
Provision for Entertainment Tax of earlier years	78,391,540	-
Reversal of Interest for FY 2011-12 pursuant to MCA Circular dated August 9, 2012	(51,461,260)	-
(Profit) / loss on sale of Fixed Assets	39,157,999	43,033,371
Interest and Finance Charges	494,542,489	519,560,326
Income from Investments	(35,037,796)	(37,121,771)
(Profit) / loss on sale of Investments	(33,106,613)	(75,865,598)
	2,458,569,502	2,441,878,407
Operating Profit Before Working Capital	2,794,564,535	2,103,407,463
B Change in Working Capital		
(Increase) / Decrease in Inventories	(219,934,775)	(7,959,809)
(Increase) / Decrease in Trade Receivable	(1,781,896,441)	(496,605,831)
(Increase) / Decrease in Loans & Advance	(941,084,285)	(104,531,067)
Increase / (Decrease) in Current Liabilities & Provisions	960,566,548	161,273,224
	(1,982,348,953)	(447,823,483)
Cash Generated from Operations	812,215,582	1,655,686,385
Taxes paid (Net)	(149,346,005)	(19,644,586)
Net Cash from Operation Activities	662,869,577	1,636,041,799
2 CASH FLOW FROM INVESTING ACTIVITIES:		
Income from Investments	28,782,446	37,121,771
Sale Proceeds of Fixed assets	2,831,137	6,941,648
Payment for Fixed Assets	(4,679,716,073)	(2,599,014,307)
Purchase of Other Investments	(1,172,220,949)	(6,014,763,340)
Sale Proceeds of Other Investment	1,278,477,122	7,050,070,626
Net cash flow from/ (used in) Investing activity	(4,541,846,317)	(1,519,643,602)

	Year ended March 31, 2013 Rupees	Year ended March 31, 2012 Rupees
3 CASH FLOW FROM FINANCING ACTIVITIES		
Interest and Finance Charges	(474,727,635)	(504,877,757)
Issue of Share Capital (Including Premium)	37,005,530	-
Preference Shares redeemed	(480,000)	-
Long term borrowings	3,869,645,908	1,597,761,078
Repayment of long term borrowings	(601,431,820)	(1,115,737,244)
Short Term Borrowings (Net)	548,988,443	(123,863,329)
Net cash Realised from / (used in) Financing activity	3,379,000,426	(146,717,252)
Net increase in Cash and Cash equivalent	(499,976,314)	(30,319,054)
Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year	960,011,215	990,330,269
Cash & Cash equivalents (Net of Book Overdraft) at the end of year	460,034,901	960,011,215
Components of cash and cash equivalents		
Balances with banks:		
In Current Accounts	235,356,727	240,347,572
Credit balance in Bank Accounts	(65,865,894)	(32,033,966)
Fixed Deposits with original maturity of less than 3 months	3,003,604	502,742,939
Cheques on hand	83,541,408	88,008,668
Cash in hand	203,999,056	94,271,576
Mutual funds with original maturity of less than 3 months	-	66,674,426
Total of cash and cash equivalents	460,034,901	960,011,215

Notes:

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

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(MILIND KARNIK)
President & Company Secretary

For and on behalf of the Board

(JAGDISH KUMAR G PILLAI)
Managing Director & C.E.O

(VINAYAK AGGARWAL)
Director

Mumbai

Dated : May 29, 2013

Mumbai

Dated : May 29, 2013

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO CONSOLIDATED FINANCIAL STATEMENTS:

These Significant Accounting policies and notes to accounts form part of the Consolidated Financial Statements for the year ended March 31, 2013. The consolidated financial statement comprises of Hathway Cable and Datacom Limited ("The Company") and its subsidiaries, joint ventures and associates (collectively referred to as "The Group").

Company overview

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

1.00 Summary of significant accounting policies

1.01 METHOD OF ACCOUNTING AND BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) vide Companies (Accounting Standards) Rules, 2006 and the other relevant provisions of the Companies Act, 1956.

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

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

1.02 PRINCIPLES OF CONSOLIDATION

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

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

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

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

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

Subsidiaries

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions. The unrealized profits or losses resulting from the intra-group transactions have been eliminated and unrealised losses resulting from the intra-group transactions have also been eliminated unless cost cannot be recovered.

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

Associates

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

Joint venture

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

1.03 USE OF ESTIMATES

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

1.04 FIXED ASSETS**a) Tangible Assets**

- (i) The fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, non refundable taxes and all expenses incurred in bringing the assets to its present location and condition for its intended use and includes installation and commissioning expenses. Such indirect expenditure incurred during the pre-commencement period is allocated proportionately over the cost of the relevant assets.
- (ii) Set Top Boxes (STBs) and Internet Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalized or treated as sale as the case may be.
- (iii) Gains or losses arising from de-recognition of fixed assets being the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.
- (iv) Fixed Assets not in active use and held for sale are classified under "Other Current Assets" and are recognised at the lower of their carrying amount or market value less cost to sell.

b) Intangible Assets

- (i) Intangible assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortization and impairment losses.
- (ii) The amortization period and the amortization method are reviewed at least at each financial year-end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.
- (iii) Intangible assets comprises of Cable Television Franchise, Movie & Serial Rights, Bandwidth Rights, Goodwill and Softwares.
- (iv) Cable Television Franchisee represents purchase consideration of a Network that mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a Network.

1.05 DEPRECIATION / AMORTISATION

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

1.06 INVESTMENTS

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

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

a) Long-Term Investments

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

b) Current Investments

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

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

1.07 INVENTORIES

Inventories are valued as follows:

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

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

1.08 BORROWING COSTS

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

1.09 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

1.10 EMPLOYEE BENEFITS

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

1.11 EMPLOYEE STOCK OPTION SCHEME

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

1.12 ACCOUNTING FOR LEASES

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

a) As Lessee – Operating Lease

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

b) As Lessor – Operating Lease

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

c) As Lessee – Finance Lease

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

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

1.13 REVENUE RECOGNITION

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

INCOME FROM SERVICES

- a) Subscription income includes subscription from Subscribers / Cable Operators relating to cable TV, Internet, activation of devices and from broadcasters relating to the placement of channels. Revenue from Operations is recognized on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties except to the extent stated against (d) hereunder.
- b) Revenue from prepaid Internet Service plans, which are active at the end of accounting period, is recognized on time proportion basis. In other cases of prepaid Internet Service plans, entire revenue is recognized in the year of sale.
- c) The revenue relating to Conditional Access System (CAS), which was in force in certain part of Mumbai and Delhi till introduction of Digital Addressable System (DAS) is governed by TRAI and the same is recognized in accordance with prescribed regulations.
- d) Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the Company. In cases where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Company 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.
- e) Advertisement revenue is accrued on release of the advertisement for public viewing.
- f) The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

SALE OF GOODS

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

OTHER OPERATING INCOME

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

INTEREST INCOME

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

1.14 TAXATION

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

1.15 FOREIGN CURRENCY TRANSACTIONS

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

1.16 EARNINGS PER SHARE (EPS)

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

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

1.17 IMPAIRMENT

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

1.18 MEASUREMENT OF EBITDA

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

1.19 CASH AND CASH EQUIVALENTS

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.01 SHARE CAPITAL	As at March 31,	
	2013 Rupees	2012 Rupees
SHARE CAPITAL		
Authorised Capital		
199,800,000 (March 31, 2012: 199,800,000) Equity Shares of Rs. 10 (10) each	1,998,000,000	1,998,000,000
200,000 (March 31, 2012: 200,000) Non- Cumulative Redeemable Preference Shares of Rs.10 each	2,000,000	2,000,000
	2,000,000,000	2,000,000,000
Issued, Subscribed and Paid up Capital		
143,173,200 (March 31, 2012: 142,857,100) Equity Shares of Rs. 10(10) each fully paid-up	1,431,732,000	1,428,571,000
Nil (March 31, 2012: 48,000) 0% Non-cumulative Redeemable Preference Shares of Rs. 10(10) each fully paid-up	-	480,000
	1,431,732,000	1,429,051,000

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

	As at March 31,			
	2013		2012	
	Number	Amount	Number	Amount
<u>Equity Shares of Rs.10 each</u>				
Shares Outstanding at the beginning of the year	142,857,100	1,428,571,000	142,857,100	1,428,571,000
Shares Issued during the year under ESOP	316,100	3,161,000	-	-
Shares Bought back/ Other movements during the year	-	-	-	-
Shares Outstanding at the end of the year	143,173,200	1,431,732,000	142,857,100	1,428,571,000
<u>0% Non-Cumulative Redeemable Preference Shares of Rs. 10 each</u>				
Shares Outstanding at the beginning of the year	48,000	480,000	-	-
Other Movements	-	-	48,000	480,000
Shares Issued during the year	-	-	-	-
Shares Redeemed during the year	48,000	480,000	-	-
Shares Outstanding at the end of the year	-	-	48,000	480,000

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

	As at March 31,	
	2013	2012
	No. of Shares	No. of Shares
<u>Bonus Shares</u>		
Equity shares of Rs. 10 each allotted as fully paid bonus shares by capitalisation of Securities Premium Account in the year 2009-2010	74,236,874	74,236,874
	74,236,874	74,236,874
<u>Shares allotted for consideration other than cash</u>		
0% Non-Cumulative Redeemable Preference shares of Rs. 10 each allotted pursuant of contract(s) without payment received in cash pursuant to Scheme of Demerger in the year 2006-2007	-	48,000
	-	48,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

	As at March 31,			
	2013		2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<u>Equity Shares of Rs. 10 each</u>				
Mr. Akshay Raheja	24,282,600	16.96	24,282,600	17.00
Mr. Viren Raheja	23,910,600	16.70	23,910,600	16.74
Hathway Investments Private Limited	14,964,003	10.45	14,964,003	10.47
Providence Equity Advisors Mauritius Limited	14,143,552	9.88	14,143,552	9.90
Macquarie Bank Limited	10,556,644	7.37	10,556,644	7.39
Reliance Capital Trustee Co. Limited	12,145,942	8.48	9,995,556	7.00
Spur Cable and Datacom Private Limited	7,650,000	5.34	7,650,000	5.36
<u>0% Non-Cumulative Redeemable Preference Shares of Rs. 10 each</u>				
Hathway Cabletech Services Private Limited	-	-	48,000	100.00

d) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

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

Terms of Conversion/ Redemption/ Rights attached to Preference Shares

0% Non-cumulative Preference shares of Rs.10 each were redeemable on or before December 12, 2012 at the option of the Board of Directors of the issuer Company and the Preference Shareholders by giving one week's notice to either party. The same were redeemed on November 30, 2012.

e) Shares reserved for issue under options

265,299 number of equity shares (as at March 31, 2012 : 620,199 equity shares) of Rs.10 each towards outstanding employees stock option granted/ available for grant. Refer Note 4.07

2.02 RESERVES & SURPLUS	As at March 31,	
	2013	2012
	Rupees	Rupees
<u>Capital Reserve</u>		
Balances per last Balance Sheet	1,025,387	1,025,387
Add: Addition during the year	-	-
Less: Written back during the year	-	-
	1,025,387	1,025,387
<u>Securities Premium</u>		
Balances per last Balance Sheet	11,999,692,443	11,999,692,443
Add: Securities premium credited on Share issue	48,884,946	-
Less: Deduction during the year	-	-
Balances as at the end of the year	12,048,577,389	11,999,692,443
<u>Employee Stock Options Outstanding Account</u>		
Balance at the beginning of the year	24,882,613	24,157,165
Add: Compensation for options during the year (net)	2,944,622	725,448
Less: Deduction during the year	15,040,416	-
Balances as at the end of the year	12,786,819	24,882,613
<u>Surplus/ (Deficit) In the Statement of Profit and Loss</u>		
Balance at the beginning of the year	(5,427,129,234)	(4,935,317,352)
Add : Net Profit/ (Loss) after tax for the current year	156,988,628	(491,811,882)
Deficit in the Statement of Profit and Loss	(5,270,140,606)	(5,427,129,234)
	6,792,248,989	6,598,471,209

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.03 LONG TERM BORROWINGS	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Term Loans				
Secured				
From Banks	576,131,955	596,301,139	452,437,690	352,342,311
From Financial Institutions	130,350,000	399,450,000	269,100,000	250,200,000
From Others	1,798,660,698	92,857,130	44,196,432	28,645,296
External Commercial Borrowings				
Secured	-	7,631,625	8,154,750	30,526,500
Buyers Credit				
Secured	2,100,417,871	874,962,834	413,616,996	87,839,241
Deferred payment liabilities				
Secured	-	291,136,607	815,951,921	271,646,482
Finance Lease Obligations				
Secured	1,762,674,572	363,274,284	418,435,805	155,078,723
Vehicle Loans from Banks				
Secured	4,837,207	8,576,858	7,342,748	6,502,481
Other Loans & Advances				
Unsecured	317,741,479	65,383,971	-	-
	6,690,813,782	2,699,574,448	2,429,236,342	1,182,781,034
Amount disclosed under the head 'Other Current Liabilities' (Note No. 2.08)				
- Current maturities of Long-Term Debts	-	-	2,010,800,537	1,027,702,311
- Current maturities of Finance Lease Obligations	-	-	418,435,805	155,078,723
Net Amount	6,690,813,782	2,699,574,448	-	-
	-	-	-	-
The above amount includes				
Aggregate amount of Secured Borrowings	6,373,072,303	2,634,190,477		
Aggregate amount of Unsecured Borrowings	317,741,479	65,383,971		

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

Nature of Security		Terms of Repayment
i	Term Loan from Banks	
a)	Terms loan from Yes Bank Ltd. amounting to Rs. 375,000,000 (March 31, 2012: 226,000,000) are secured by, 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company. 3) undertaking given by Promoters of the Company for non-disposal of their shareholding in the Company so long as Term Loan is outstanding.	Principal amount repayable in 12 equal quarterly installments of Rs.41,666,667 with 1st installment starting from September 30, 2012. Interest is payable on monthly basis. Applicable rate of interest is Yes Bank Base Rate + 3.25%.
b)	Terms loan from ICICI Bank Ltd. amounting to Rs. 60,000,000 (March 31, 2012: Rs.120,000,000) are secured by pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.	Principal amount repayable in 20 equal quarterly installments of Rs.15,000,000 starting from the end of 5th quarter (May 24, 2009). Interest is payable on monthly basis. Applicable rate of interest is ICICI Bank Benchmark advance rate - 4.05%.
c)	Terms loan from Bank of India Ltd. amounting to Rs. 175,000,000 (March 31, 2012: Rs.275,000,000) are secured by, 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company.	Principal amount repayable in 20 equal quarterly installments of Rs.25,000,000 with 1st installment starting from March 12, 2010. Interest is payable on monthly basis. Applicable rate of interest is Bank of India Base rate + 4.5%.
d)	Terms loan from HDFC Bank Ltd. amounting to Rs. NIL Sanctioned Amount Rs. 600,000,000 (March 31, 2012: Rs.NIL) are secured by, 1) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company. 2) pari passu hypothecation of present & future Current Assets of the Company.	Principal amount repayable in 16 equal quarterly installments with 1st installment due 15 months after the date of drawdown. Interest is payable on monthly basis. Applicable rate of interest is HDFC Bank Base rate + 2.55%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security	Terms of Repayment
e) Terms loan from Axis Bank Ltd. amounting to Rs. 26,250,000 (March 31, 2012: Rs.88,749,999) are secured by, <ol style="list-style-type: none"> 1) First Pari Passu Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company, 2) First Pari Passu Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company 3) Corporate Guarantee of the Company 	Principal amount Repayable in 16 equal quarterly installments of Rs. 15,625,000 with 1st installment commencing from October 31, 2011. Interest is payable on monthly basis. Applicable rate of interest is Axis Bank Base Rate + 4%.
f) Terms loan from Axis Bank Ltd. amounting to Rs. 75,000,000 (March 31, 2012: Rs.100,000,000) are secured by, <ol style="list-style-type: none"> 1) First Pari Passu Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company, 2) Second Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company 3) Corporate Guarantee of the Company 	Principal amount Repayable in 16 equal quarterly installments of Rs. 6,250,000 with 1st installment commencing from 1-Jun-2012. Interest is payable on monthly basis. Applicable rate of interest is Axis Bank Base Rate + 4%.
g) Terms loan from Axis Bank Ltd. amounting to Rs.120,609,960 (March 31, 2012: Rs. NIL) are secured by, <ol style="list-style-type: none"> 1) First Pari Passu Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company, 2) Second Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company 3) Personal Guarantee of one of the Director of the Subsidiary Company and Corporate Guarantee of the Company 	Principal amount Repayable in 16 equal quarterly installments of Rs. 6,250,000 with 1st installment commencing from 1-Jun-2014. Interest is payable on monthly basis. Applicable rate of interest is Axis Bank Base Rate + 3.75%.
h) Terms loan from Yes Bank Ltd. amounting to Rs. 75,000,000 (March 31, 2012: Rs.100,000,000) are secured by, <ol style="list-style-type: none"> 1) First Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company, 2) First Pari Passu Charge by way of Hypothecation of entire Current Assets belonging to one of the Subsidiary Company 3) Non disposal undertaking from one of the Directors of the Subsidiary Company & the Company 4) Shortfall undertaking from one of the Directors of the Subsidiary Company & the Company for repayment of Principal and Interest. 	Principal amount Repayable in 8 equal quarterly installments of Rs. 12,500,000 with 1st installment commencing from 28-Oct-2012. Interest is payable on monthly basis. Applicable rate of interest is Yes Bank Base Rate + 4%.
i) Terms loan from Yes Bank Ltd. amounting to Rs. 100,000,000 (March 31, 2012: Rs.NIL) are secured by, <ol style="list-style-type: none"> 1) First Charge on Entire Movable & Immovable Fixed Assets of one of the Company 2) Second Pari Passu Charge on Current Assets of the Company. 3) Letter of Comfort from Hathway Cable & Datacom Ltd. 4) Personal guarantee of of one of the Director of the Subsidiary Company. 5) Non Disposal undertaking from Director & Hathway Cable & Datacom Ltd. 6) Exclusive Charge on by way of mortgage of property situated in Ahmedabad. 	Principal amount Repayable in 10 equal quarterly installments of Rs. 10,000,000 with 1st installment commencing from 12-Aug-2013. Interest is payable on monthly basis. Applicable rate of interest is Yes Bank Base Rate + 4%.
j) Terms loan from HDFC Bank Ltd. amounting to Rs. Nil(March 31, 2012: Rs. 833,333) are secured by, <ol style="list-style-type: none"> 1) Exclusive first Charge on by way of mortgage of property situated at Sadoday Plaza, Nagpur of one of the Subsidiary Company. 	Principal amount Repayable in 12 equal quarterly installments of Rs. 208,333 with 1st installment commencing from 1-Jul-2010. Interest is payable on monthly basis. Applicable rate of interest is HDFC Bank PLR - 3.25%.
k) Terms loan from HDFC Bank Ltd. amounting to Rs. Nil (March 31, 2012: Rs. 1,875,000) are secured by, <ol style="list-style-type: none"> 1) Exclusive first Charge on by way of mortgage of property situated at Sadoday Plaza, Nagpur of one of the Subsidiary Company. 	Principal amount Repayable in 12 equal quarterly installments of Rs. 625,000 with 1st installment commencing from 1-Apr-2010. Interest is payable on monthly basis. Applicable rate of interest is HDFC Bank PLR - 3.25%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security		Terms of Repayment
i)	Terms loan from ICICI Bank Ltd. amounting to Rs. Nil (March 31, 2012: Rs. 6,537,348) are secured by,	Principal amount Repayable in 120 monthly installments gradually increasing from Rs. 32,604 to 107,604 with 1st installment commencing from 10-Feb-2010. Interest is payable on monthly basis. Applicable rate of interest is ICICI Bank Prime Rate-2.75%.
	1) Exclusive first Charge on by way of mortgage of property situated at Sahjanand Complex, Shahibaug, Ahmedabad of one of the Subsidiary Company.	
	m) Terms loan from Dhanlaxmi Bank Ltd. amounting to Rs. 15,678,296 (March 31, 2012: Rs. 16,693,861) are secured by,	Principal amount Repayable in 120 monthly installments gradually increasing from Rs. 70,000 to 252,284 with 1st installment commencing from 15-Feb-2011. Interest is payable on monthly basis. Applicable rate of interest is Dhanlaxmi Base Rate + 4.5%.
	1) Exclusive first Charge on by way of mortgage of property situated at Ganga Apartment, Golaghalla Road, Kolkata of one of the Subsidiary Company.	
	n) Terms loan from Dhanlaxmi Bank Ltd. amounting to Rs. 6,031,389 (March 31, 2012: Rs. 6,192,279) are secured by,	Principal amount Repayable in 180 monthly installments gradually increasing from Rs. 11,300 to 79,000 with 1st installment commencing from 15-Jun-2011. Interest is payable on monthly basis. Applicable rate of interest is Dhanlaxmi Base Rate + 3%.
	1) Exclusive first Charge on by way of mortgage of property situated at Bapunagar, Ahmedabad of one of the Subsidiary Company.	
	o) Terms loan from Dhanlaxmi Bank Ltd. amounting to Rs. Nil (March 31, 2012: Rs. 6,761,630) are secured by,	Principal amount Repayable in 120 monthly installments gradually increasing from Rs. 28,300 to 103,281 with 1st installment commencing from 5-Jul-2011. Interest is payable on monthly basis. Applicable rate of interest is Dhanlaxmi Base Rate + 3%.
	1) Exclusive first Charge on by way of mortgage of property situated at Paldi, Ahmedabad of one of the Subsidiary Company.	
ii	Term Loan from Financial Institutions	
a)	Terms loan from IDFC Ltd. amounting to Rs.180,700,000 (March 31, 2012: Rs. 305,900,000) are secured by,	Principal amount repayable in 20 quarterly installments commencing at the end of 12 months from the date of first disbursement (15-Aug-2009). Installment amount for 1st, 2nd, 3rd year, 4th year and 5th year is Rs.6,250,000, Rs.18,800,000, Rs.31,300,000, Rs.31,300,000 and Rs.37,600,000 respectively and last installment amount is Rs.36,600,000. Interest is payable on monthly basis. Applicable rate of interest is 1 year IDFC Benchmark rate + 3.25% (March 31, 2012: 1 year IDFC Benchmark rate + 3.25%).
	1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
	2) pari passu hypothecation of the present & future Current Assets of the Company.	
	3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature.	
	4) First charge on the uncalled capital of the company.	
	5) Lien on 3,500,000 (March 31, 2012: 3,500,000) units of IDFC Fixed Term Plan Series 13- Regular Plan- Growth (March 31, 2012 IDFC Fixed Maturity Plan Yearly Series 63)	
	b) Terms loan from IDFC Ltd. amounting to Rs.218,750,000 (March 31, 2012: Rs.343,750,000) are secured by,	Principal amount repayable in 16 equal quarterly installments of Rs.31,250,000 commencing at the end of 12 months from the date of first disbursement (15th Mar, 2011). Interest is payable on monthly basis at 1 year IDFC Benchmark rate + 3.25% (March 31, 2012: 1 year IDFC Benchmark rate + 3.50%).
	1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
	2) pari passu hypothecation of the present & future Current Assets of the Company.	
	3) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature.	
	4) First charge on the uncalled capital of the company.	
	5) Lien on Fixed Deposits with Bank of Rs.27,000,000 (March 31, 2012: Rs.27,000,000)	
iii	Term Loan from others	
a)	Terms loan from HDFC Ltd. amounting to Rs. 92,857,130 (March 31, 2012: Rs.121,428,562) are secured by, pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	Principal amount repayable in 28 equal quarterly installments of Rs.7,142,858 commencing from 30-Sep-2009. Interest is payable on monthly basis. Applicable interest rate is HDFC PLR - 3.75% .

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security		Terms of Repayment
b)	Terms loan from HDFC Ltd. amounting to Rs. 1,250,000,000 (March 31, 2012: Rs.Nil) (Sanctioned Amount Rs. 1,500,000,000) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company.	Principal amount repayable in 16 equal quarterly installments of Rs. 101,425,165 along with Interest commencing from 23-May- 2014. Interest is payable on Quarterly basis. Applicable interest rate is HDFC PLR - 4.50%.
c)	Terms loan from GE Money Financial Services Pvt. Ltd. amounting to Rs. 500,000,000 (March 31, 2012: Rs.Nil) (Sanctioned Amount Rs. 1,000,000,000) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company.	Principal amount repayable in 16 equal quarterly installments of Rs.15,625,000 each commencing at the end of 15 months from the date of first disbursement (i.e. from 27-March-2014 & 11-April-2014). Interest is payable on monthly basis. Applicable interest rate is SBI Base Rate + 2.80%
d)	Terms loan from Magma Finance Corp. amounting to Rs. Nil (March 31, 2012: Rs.73,864) is secured by a first and exclusive charge on movable assets acquired out the loan.	Repayable in 24 equal monthly installments commencing from 20-Feb-2011. Applicable interest rate is 4.50% p.a.
iv	External Commercial Borrowings	
a)	External Commercial Borrowings from Banks amounting to Rs. 8,154,750 (March 31, 2012: Rs.38,158,125) are secured by, pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	Principal amount repayable in 20 equal quarterly installments of USD.150,000 commencing after 12 months from the date of first disbursement (10-Jul-2008). Interest is payable on monthly basis. Applicable rate of interest is 6 months LIBOR +2%.
v	Buyers Credit	
a)	Buyers Credit from Axis Bank Ltd. amounting to Rs.759,078,421 (March 31, 2012: Rs.193,996,643) are secured by, (Out of the same Rs. 168,096,580 is a sub-limit of Term loan of Rs. 1,000,000,000) 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 amount repayable with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable Rate of Interest is 6 months LIBOR + Spread prevailing as on the date of the drawdown. (An amount of Rs. 168,096,580 is a sub-limit of Term loan sanctioned of Rs. 1,000,000,000 repayable in 12 equal quarterly installments from the 27th month of opening of capex LC either in the form of cash margin or actual repayment i.e. (11-May-2015).
b)	Buyers Credit from Yes Bank Ltd. amounting to Rs. 1,101,045,776 (March 31, 2012: Rs.768,805,432) are secured by, 1) pari passu hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future. 2) Cash Margin of 10% by Fixed deposit with Bank. Additional 10% Cash margin at the end of 1 year of availing buyers credit & additional 10% at the end of 2 years.	Principal amount repayable with Interest upto 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable rate of interest is 6 months LIBOR + Spread prevailing as on the date of the drawdown.
c)	Buyers Credit from ING Vysya Bank Limited amounting to Rs. 126,892,290 (March 31, 2012: NIL) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company.	Principal amount repayable with Interest on completion of 33 months from the date of drawdown. Interest is payable on half yearly basis. Applicable rate of interest is LIBOR + 0.60%.
d)	Buyers Credit from ING Bank N.V., Singapore amounting to Rs. 429,360,380 (March 31, 2012: Rs. NIL) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company. 2) pari passu hypothecation of the present & future Current Assets of the Company.	Principal amount repayable on completion of 3 years from the date of underlying shipment/ drawdown. Applicable Rate of Interest is 6 months JPY LIBOR + 3.50% prevailing as on the date of the drawdown. Interest is payable on Half Yearly basis.
e)	Buyers Credit from Axis Bank Limited amounting to Rs. 10,698,000 (March 31, 2012: Rs. NIL) are secured by, 1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of one of the Subsidiary Company. 2) pari passu hypothecation of the present & future Current Assets of one of the Subsidiary Company. 3) Personal Guarantee one of the Director of the Subsidiary Company and Corporate Guarantee of the Company	Principal amount repayment with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable rate of Interest is 6 months LIBOR + 2.10% prevailing as on the date of the drawdown.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Nature of Security		Terms of Repayment
g)	Buyers Credit from Axis Bank Limited amounting to Rs. 86,960,000 (March 31, 2012: Rs. NIL) are secured by,	Principal amount repayment with Interest on completion of 6 months with a rollover period of 3 years from the date of underlying shipment. Applicable rate of interest is 6 months LIBOR + 2.10% prevailing as on the date of the drawdown.
	1) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.	
	2) pari passu hypothecation of the present & future Current Assets of the Company.	
	3) Personal guarantee one of the Director of the Subsidiary Company and Corporate Guarantee of the Company	
vi	Deferred payment liabilities	
a)	Deferred payment liabilities amounting to Rs. 815,951,921 (March 31, 2012: Rs. 562,783,089):	Principal amount repayable after 2 years along with Interest. Applicable rate of interest for first 6 months is NIL and balance 18 months is 2.388% p.a.
	1) Ericsson Television Ltd. amounting to Rs. 197,563,932 (March 31, 2012: Rs. 184,890,260) secured by Usance Letter of Credit issued by a bank.	
	2) NDS Ltd. amounting to Rs. 618,387,989 (March 31, 2012: Rs. 377,892,829) secured by Usance Letter of Credit issued by a bank.	
vii	Finance Lease Obligations	
a)	Cisco System Capital (India) Pvt. Ltd. - Finance Lease amounting to Rs. 627,871,907 (March 31, 2012: Rs.188,815,625) secured by hypothecation of underlying assets taken on lease	Principal amount with Interest is payable in quarterly installments over the period of 5 years from inception of lease agreement. Applicable rate of interest varies between 9% - 10% p.a.
b)	Cisco System Capital (India) Pvt. Ltd. - Finance Lease amounting to Rs. 4,780,244 (March 31, 2012: Rs.Nil) secured by hypothecation of underlying assets taken on lease and Collateral security has been given by one of the directors of the Company by way of a guarantee.	Principal amount with interest is payable in 36 monthly installments starting from the month in which lease taken i.e. January 2013. Effective rate of interest ranging between 11.5% -12.5% p.a.
c)	Cisco Systems Capital India (Private) Limited - Finance Lease amounting to Rs. 744,693,716 (March 31, 2012: Rs. 329,537,382), is secured against Set Top Boxes purchased under lease by one of the Subsidiary Company and Corporate guarantee of the Company to the tune of Rs. 328,000,000 (March 31, 2012: Rs. 328,000,000)	Principal amount with Interest is payable in quarterly installments over the period of 5 years. Applicable rate of interest varies between 9% - 10% p.a.
d)	Cisco Systems Capital India (Private) Limited - Finance Lease amounting to Rs. 803,764,510 (March 31, 2012: Rs.NIL), is secured against Set Top Boxes purchased under lease by one of the Subsidiary Company and Corporate guarantee of one of the Subsidiary Company to the tune of Rs. 438,800,000 (March 31, 2012: Rs. 407,600,000)	Principal amount with interest is payable in quarterly installments over the period of 5 years. Applicable rate of interest varies between 9% - 10% p.a.
viii	Vehicle Loans from Banks	
a)	Vehicle Loans amounting to Rs.180,716 (March 31, 2012: Rs.644,807) are secured by Hypothecation of Vehicles.	Principal amount repayable in 36 - 60 equal monthly installments along with Interest. Applicable rate of interest is within the range of 7.62% - 11.40% p.a.
b)	Vehicle Loan from Axis Bank amounting to Rs 141,098/- (March 31, 2012 Rs. 228,421/-).	Loan repayable within the period of 36 months installments along with interest. Applicable rate of interest is 11.42% p.a.
c)	Vehicle Loan from HDFC Bank amounting to Rs 158,592/- (March 31, 2012 : Rs 257,709/- secured against Hypothecation of Vehicles.)	Loan repayable in 60 monthly installment along with interest. Applicable rate of interest is 9.71% p.a
d)	Vehicle Loan from Tata Capital Limited amounting to Rs 839,822/- (March 31, 2012 : Rs 1,043,098/- secured against Hypothecation of Vehicles.)	Loan repayable in 60 monthly installment along with interest. Applicable rate of interest is 9.71% p.a
e)	Vehicle Loan taken from various Banks totalling to Rs. 10,392,732 (March 31, 2012: Rs. 12,274,830) secured against respective vehicle under the Hire Purchase Contract.	Principal amount repayable over 36 - 60 months on monthly rests along with Interest. Applicable rate of interest is in the range of 12 - 15% p.a.
f)	Vehicle Loans from Axis Bank amounting to Rs. 466,995 (March 31, 2012: Rs.561,560) are secured by Hypothecation of Vehicles.	Loan repayable in 60 monthly installment along with interest. Applicable rate of interest is 10 - 12% p.a
g)	Vehicle Loan taken from Saraswat Bank to Rs.Nil (March 31, 2012: Rs.68,914) are secured by Hypothecation of Vehicles.	Loan repayable in 36 monthly installment along with interest. Applicable rate of interest is 9% p.a.
(ix)	Unsecured- Others	
	Other Loans & Advances - Unsecured	Principal amount repayable after 12 months as per mutual consent. No Interest is payable on the loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	As at March 31,	
	2013	2012
i Term loans from Banks		
Term loan from Yes Bank Ltd.	175,000,000	100,000,000
Term loan from ICICI Bank Ltd.	60,000,000	120,000,000
Term loan from Axis Bank Ltd.	120,609,960	188,749,999
ii Term loans from Financial Institutions		
Terms loan from IDFC Ltd.	180,700,000	305,900,000
iii Term loans from Others		
Terms loan from HDFC Ltd.	92,857,130	121,428,562
iv Buyers Credit from Bank		
From Axis Bank Ltd.	97,658,000	-
v Finance Lease Obligations		
Cisco Systems Capital (India) Pvt. Ltd.	4,780,244	-

- There are no long term borrowings guaranteed by person other than directors.

2.04 DEFERRED TAX LIABILITIES	As at March 31,	
	2013	2012
Deferred Tax Assets		
Unabsorbed Depreciation	456,809,993	66,807,449
Disallowances Under Income Tax Act 1961	13,175,254	8,686,178
Provision for Doubtful Debts	3,096,744	288,046
Others	71,405,817	60,527,765
Deferred Tax Liabilities		
Difference between book and tax depreciation	751,776,426	263,446,866
NET DEFERRED TAX LIABILITY	207,288,618	127,137,428

2.05 OTHER LONG-TERM LIABILITIES	As at March 31,	
	2013	2012
Others		
Income received in advance (Refer Note No. 2.08)	6,378,114	38,350,778
Security Deposit (Refer Note No. 2.08)	92,608,921	100,442,011
	98,987,035	138,792,789

2.06 PROVISIONS	Long-term		Short-term	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Provision for Employee Benefits				
Gratuity (unfunded)	6,187,673	4,379,373	2,341,889	1,663,644
Bonus	-	-	6,779,269	5,942,670
Leave Encashment	8,001,598	7,486,230	79,882,014	65,341,737
Others				
Provision for Income Tax (Net)	-	-	30,717,775	21,426,775
	14,189,271	11,865,603	119,720,947	94,374,826

2.07 SHORT TERM BORROWINGS	As at March 31,	
	2013	2012
Loans repayable on demand		
Secured		
Working Capital Loans repayable on demand from bank	130,000,000	-
Cash Credit with Banks	615,039,216	198,617,986
Unsecured Loan		
Others	16,776,684	14,209,471
	761,815,900	212,827,457

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(a) Nature of Security for secured borrowings :

Nature of Borrowing		Nature of Security	
i	<u>WORKING CAPITAL</u>		
	a) Working Capital Demand Loan from ING Vysya Bank Ltd. outstanding Rs.130,000,000 (March 31, 2012: Rs. NIL) [Sanctioned Amount Rs. 150,000,000 (March 31, 2012: Rs. NIL)]	a)	pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.
		(b)	pari passu hypothecation of present & future Current Assets of the Company.
ii	<u>CASH CREDIT</u>		
	a) Cash Credit with Axis Bank Ltd outstanding Rs. 218,053,573 (March 31, 2012: Rs. 9,621,644) [Sanctioned amount Rs. 700,000,000 (March 31, 2012: Rs. 700,000,000)]	(a)	pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.
		(b)	pari passu hypothecation of present & future Current Assets of the Company.
	b) Cash Credit with Yes Bank Ltd amounting to Rs. 51,527,472 (March 31, 2012: Rs. 1,017,634) [Sanctioned amount Rs. 250,000,000 (March 31, 2012: Rs. 100,000,000)]	(a)	pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.
		(b)	pari passu hypothecation of present & future Current Assets of the Company.
	c) Cash Credit with Bank of Maharashtra amounting to Rs. 4,391,150 (March 31, 2012: Rs. Nil)	a)	Secured against Hypothecation of Book Debts, Headend Equipments & Fixed Deposit Receipt of Rs. 33.61 Lakhs. (March 31, 2012 Rs. 27.89 lacs)
	d) Cash Credit with Axis Bank Ltd outstanding Rs. 33,889,641 (March 31, 2012 : Rs 15,774,078)	a)	Hypothecation of Book Debts & all Fixed Assets of One of the Subsidiary company.
		b)	Corporate guarantee of the Company
	e) Cash Credit with Axis Bank Ltd outstanding Rs. 45,230,785 (March 31, 2012 : Rs 43,387,428).	a)	First charge on the present and future current assets of one of the Subsidiary Company.
		b)	Extension of hypothecation of Fixed Assets of one of the Subsidiary Company.
	f) Cash Credit with Axis Bank Ltd outstanding Rs.2,242,314 (March 31, 2012 : Rs. 962,907).	a)	Secured by first charge on the Current Assets belonging to one of the Subsidiary Company,
	g) Cash Credit with Axis Bank outstanding Rs. 190,010,418 (March 31, 2012 Rs 126,980,532)	a)	Secured by first pari passu charge on the Current Assets belonging to one of the Subsidiary Company,
		b)	Second pari passu charge on the present and future moveable Fixed Assets and specific immovable properties of one of the Subsidiary Company.
		c)	Personal Guarantee of one of the Director of the Subsidiary Company and Corporate Guarantee of the Company.
	h) Cash Credit with IDBI Bank Ltd outstanding Rs. 69,693,863 (March 31, 2012 Rs NIL)	a)	Secured by first pari passu charge on the entire Current Assets of one of the Subsidiary Company,
		b)	Second pari passu charge on the present and future moveable Fixed Assets and specific immovable properties of one of the Subsidiary Company,
		c)	Personal Guarantee of three Directors of the Subsidiary Company and Corporate Guarantee of one of the Shareholder Company of the Subsidiary Company.
	i) Cash Credit with State Bank of India outstanding Rs. Nil (March 31, 2012 Rs 873,763)	a)	Secured by machineries, equipments and furnitures of the Subsidiary of one of the Subsidiary Company.

(b) Details of Short-term borrowings guaranteed by some of the directors or others:

Particulars	As at March 31,	
	2013	2012
i. Term loans from Banks		
a. Axis Bank Ltd.	190,010,418	126,980,532
b. IDBI Bank Ltd.	69,693,863	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.08 OTHER CURRENT LIABILITIES	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Trade Payables				
Micro and Small Enterprises *	-	-	242,253	1,712,643
Others	-	-	1,848,703,879	1,548,735,090
	-	-	1,848,946,132	1,550,447,733
Current maturities of Long-Term Borrowings (Refer note no. 2.03)	-	-	2,010,800,537	1,027,702,311
Current maturities of Finance Lease Obligations (Refer note no. 2.03)	-	-	418,435,805	155,078,723
Interest accrued but not due on borrowings	-	-	34,515,844	14,700,990
Preference Share Capital	-	-	-	320,000
Credit Balances in Current Account with Bank	-	-	65,865,894	32,033,966
Payable for Capital Expenditure	-	-	1,934,003,190	373,720,519
Income received in advance	6,378,114	38,350,778	505,351,158	559,494,838
Security Deposits	92,608,921	100,442,011	9,240,233	9,159,572
Employee Payables	-	-	80,009,903	60,524,142
Gratuity Payable (Funded Plans)	-	-	9,455,223	7,606,686
Other Payables				
Statutory Payables	-	-	408,581,630	243,482,260
Advance from Customers	-	-	262,790,119	158,996,750
Other Liabilities	-	-	437,744,788	457,482,418
	98,987,035	138,792,789	6,176,794,324	3,100,303,175
Amount disclosed under the head 'Income received in advance' (Note No. 2.05)	6,378,114	38,350,778	-	-
Amount disclosed under the head "Security Deposit" (Note No. 2.05)	92,608,921	100,442,011	-	-
	-	-	6,176,794,324	3,100,303,175

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

Particulars	As at March 31,	
	2013	2012
Principal amount due and remaining unpaid	219,440	1,687,865
Interest due on above and the unpaid Interest	22,813	24,778
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	22,813	24,778
Interest accrued and remainaing unpaid	22,813	24,778
Amount of further interest remaining due and payable in succeeding year	12,199	36,686

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FIXED ASSETS

(In Rupees)

2.09 TANGIBLE ASSETS	←-----Gross Block (at Cost) -----→					←-----Accumulated Depreciation/Amortisation/Impairment-----→					←-----Net Block-----→	
	As at 01-04-2012	Addition for New Subsidiaries / JVs	Deuctions during the year	Deduction for old Subsidiaries / JVs	Other Adjustments*	As at 31-03-2013	As at 01-04-2012	Additions during the year**	Deductions during the year	Deduction for old Subsidiaries / JVs	As at 31-03-2013	As at 31-03-2012
Plant and Machinery	10,695,040,290	40,375	4,353,741,815	906,597,700	166,030,428	14,308,086,825	4,565,610,417	3,917	828,718,069	28,861	9,208,609,826	6,129,446,403
Air Conditioners	36,557,959	-	2,608,541	1,311,074	-	37,865,426	20,979,058	-	849,712	-	15,576,399	15,578,906
Structural Fittings	26,000,320	-	331,590	457,442	-	26,174,468	8,437,932	-	157,442	-	17,017,317	17,562,388
Furniture and Fixtures	181,009,437	3,250	16,761,113	3,196,094	-	194,577,706	105,691,530	572	2,165,134	-	75,669,025	75,317,907
Mobile, Pagers & Telephones	19,518,424	-	380,315	863,711	-	19,035,028	13,093,262	-	884,772	-	13,148,682	5,886,346
Computers	167,606,575	35,250	12,048,857	1,197,336	13,175	178,480,171	133,689,123	7,467	1,179,394	3,953	146,681,804	31,798,367
Office Equipments	55,926,023	-	7,924,117	690,812	-	63,189,328	21,671,459	-	426,373	-	25,717,635	37,471,693
Electrical Fittings	30,924,821	-	2,862,348	407,090	-	33,380,079	19,146,092	-	1,737,523	-	20,627,057	12,763,022
Motor Vehicles	73,079,035	-	4,906,693	5,793,598	-	72,202,130	40,968,055	-	5,007,969	-	44,521,481	27,680,649
Motor Master Tapes	1,838,833	-	-	-	-	1,838,833	1,731,084	-	14,968	-	1,746,072	92,761
Land and Building	162,164,461	-	780,505	1,755,485	-	161,189,481	16,835,475	-	440,187	-	22,318,264	138,871,217
												107,749
												145,328,986
Assets Taken on Finance Lease:												
Plant and Machinery	674,974,423	-	2,080,560,498	-	(166,030,428)	2,589,504,493	207,921,703	-	98,999,449	-	2,360,410,479	467,052,720
	674,974,423	-	2,080,560,498	-	(166,030,428)	2,589,504,493	207,921,703	-	98,999,449	-	2,360,410,479	467,052,720
Total	12,124,640,601	78,875	6,482,906,392	921,930,342	181,558	17,685,513,968	5,155,765,190	11,956	840,030,190	32,814	5,155,765,190	6,866,891,946
Previous Year	10,279,945,953	37,442,423	1,968,376,191	160,007,756	1,116,210	12,124,640,601	4,013,152,974	10,783,380	118,383,240	547,640	6,968,891,946	6,266,792,979
Capital Work in Progress:	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-	-

* During the year the Company has reclassified Assets under Finance Lease amounting to Rs. 166,030,428 (March 31, 2012: Rs. 41,901,999) (Gross Block) and Rs. 77,827,138 (March 31, 2012: Rs. 224,826,800) (Depreciation) as Owned Assets on completion of the lease period.

** Additions to Depreciation includes Impairment of Plant and Machinery Rs. 32,416,421 (March 31, 2012 : Rs. 112,139,520)

2.10 INTANGIBLE ASSETS	←-----Gross Block (at Cost) -----→					←-----Accumulated Depreciation/Amortisation/Impairment-----→					←-----Net Block-----→	
	As at 01-04-2012	Addition for New Subsidiaries / JVs	Deuctions during the year	Deduction for old Subsidiaries / JVs	Other Adjustments*	As at 31-03-2013	As at 01-04-2012	Additions during the year**	Deductions during the year	Deduction for old Subsidiaries / JVs	As at 31-03-2013	As at 31-03-2012
Goodwill	1,223,476,538	-	26,926,892	300,000	-	1,250,103,430	448,526,860	75,357,988	300,000	-	523,584,848	774,949,678
Cable Television Franchisee	1,803,466,286	-	10,847,246	11,106,926	-	1,795,424,206	456,077,927	83,594,189	6,518,532	670,352	532,483,232	1,347,378,359
Movie & Serial Rights	42,748,455	-	8,875,000	-	-	51,623,455	22,542,006	9,397,905	-	-	31,939,911	19,683,544
Softwares	155,780,429	16,000	360,217,341	1,193,442	-	514,820,328	93,202,674	43,284,661	1,193,442	-	379,506,725	62,561,225
Bandwidth Rights	325,879,570	-	11,177,100	-	-	337,056,670	286,578,627	10,866,999	-	-	297,465,626	39,300,943
Total	3,551,341,278	16,000	418,043,579	12,600,368	7,772,400	3,948,028,089	1,306,928,094	872	8,011,974	670,352	1,520,768,402	2,443,396,556
Previous Year	3,177,895,015	121,596,749	289,139,350	2,043,180	5,246,656	3,551,341,278	1,032,661,423	29,887,238	3,043,674	581,742	1,306,928,094	2,244,396,556

Note :

Range of remaining period of amortisation of Intangible Assets is as below :	0 to 5 Year	5 to 10 Year	10 to 15 Year	15 to 20 Year	Total WDV
Goodwill	361,840,361	194,000,830	133,967,220	36,710,151	726,518,562
Cable Television Franchisee	311,043,310	371,846,675	387,359,442	192,688,551	1,262,940,974
Movie & Serial Rights	19,682,224	21,319	-	-	19,683,544
Softwares	379,455,598	38,996	9,254	2,879	379,506,725
Bandwidth Rights	12,129,436	-	27,461,608	-	39,591,044

** Additions to Amortisation includes Impairment of Cable Television Franchisee Rs.5,655,813 (March 31, 2012 : Rs NIL)

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.11 NON-CURRENT INVESTMENTS	Face Value	As at March 31, 2013		As at March 31, 2012	
	Rs. per unit	Quantity	Rupees	Quantity	Rupees
Trade investments (valued at cost)					
Unquoted equity instruments					
Investment in Equity shares of subsidiaries					
Hathway Jai Mata Di Sherawali Cable & Datacom Pvt. Ltd. ##	10		-	8,000	8,000,000
			-		8,000,000
Less : Provision for diminution in value			-		8,000,000
			-		-
Investment in Equity Shares of Associates					
GTPL Rajwadi Network Pvt. Ltd	10	2,500	3,669,910	2,500	2,888,257
Hathway VCN Cablenet Pvt. Ltd. #	10	12,520	1,006,132	12,520	1,006,132
Pan Cable Services Pvt. Ltd. #	10	10	100	10	100
			4,676,142		3,894,489
Less : Provision for diminution in value			1,006,232		1,006,232
			3,669,910		2,888,257
Investment in Equity Shares of Other Companies					
Gujarat Television Pvt. Ltd.	10	20,000	23,999,920	20,000	23,999,920
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd. #	10	60,000	2,206,295	60,000	2,206,295
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	470,594	47,009	470,594
			26,676,809		26,676,809
Less : Provision for diminution in value			2,206,295		2,206,295
			24,470,514		24,470,514
Investment in Firm *					-
M/s GTPL - Space			4,987,500		4,987,500
M/s GTPL Shiv Vision			3,748,500		3,748,500
M/s GTPL G P Marketing			3,000,000		3,000,000
M/s GTPL Lucky World Video			2,401,800		2,401,800
M/s Unity Cable Network ^			1,285,200		1,285,200
M/s GTPL Kim Cable Entertainment			1,040,000		1,040,000
M/s GTPL Ganesh Communication			918,077		918,077
M/s GTPL Nawaz Network #			900,000		900,000
M/s GTPL Khushboo Video Channel			770,100		770,100
M/s GTPL Universal Cable Network #			622,650		622,650
M/s GTPL Sab Network			518,875		518,875
M/s GTPL Yak Cable Network #			518,875		518,875
M/s Sai DL Vision ^			263,069		263,069
M/s GTPL Lucky World Vision			204,000		204,000
			21,178,646		21,178,646
Less : Balance Contribution Outstanding towards capital to Partnership Firms/Joint Ventures			1,001,000		1,052,356
Less : Provision for diminution in value			1,869,025		-
			18,308,621		20,126,290
Investment in Others					
Quoted					
Investments in Units of Mutual Funds					
IDFC Fixed Term Plan Series 13- Regular Plan-Growth**	10	3,500,000	35,000,000	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.11 NON-CURRENT INVESTMENTS	Face Value	As at March 31, 2013		As at March 31, 2012	
	Rs. per unit	Quantity	Rupees	Quantity	Rupees
Unquoted Investment					
National Savings Certificates (Deposited with Government Authorities)			2,314,760		4,003,880
The Saraswat Co-operative Bank Ltd.	10	3,130	31,300	3,130	31,300
Thane Janta Shares	10	5,000	50,000	5,000	50,000
			37,396,060		4,085,180
Total Non-current Investments			83,845,107		51,570,244
Aggregate amount of quoted investments			35,000,000		-
Market Value of Quoted Investments			35,123,550		-
Aggregate amount of unquoted investments			48,845,107		51,570,244
Aggregate provision for diminution in value of investments			5,081,552		11,212,527

Provision for diminution in value of investments on entire value

Refer Note no 4.02 (C)

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

** Includes 3,500,000 units (March 31, 2012: Nil units) where lien has been marked in favour of a Financial Institution

* The details of Investments made in Partnership Firms and Joint Ventures, as at March 31, 2013 are as under :

01 : GTPL Space		
Sr. No.	Name of the Partners	Share of Partner
A)	GTPL Hathway Pvt. Ltd	57.00%
B)	Mr. Rajesh Mohanbhai Patel	23.00%
C)	Mrs. Bhavna Rajesh Patel	20.00%
	Total	100.00%

02 : GTPL Shiv Vision		
Sr. No.	Name of the Partners	Share of Partner
A)	GTPL Hathway Pvt. Ltd	51.00%
B)	Mr. Sanjay Kanubhai Vyas	49.00%
	Total	100.00%

03 : GTPL G P Marketing		
Sr. No.	Name of the Partners	Share of Partner
A)	Dilipsinh Vaghela	49.00%
B)	GTPL Hathway Pvt. Ltd	51.00%
	Total	100.00%

04 : GTPL Lucky World Video		
Sr. No.	Name of the Partners	Share of Partner
A)	GTPL Hathway Pvt. Ltd	51.00%
B)	Gaurang R Desai	49.00%
	Total	100.00%

05 : Unity Cable Network		
Sr. No.	Name of the Partners	Share of Partner
A)	GTPL Video Badshah Private Limited	51.00%
B)	Unity Cable Network (Iliyashbhai)	49.00%
	Total	100.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

06 : GTPL B Communication		
Sr. No.	Name of the Partners	Share of Partner
A)	Shaileshbhai Balwantbhai Patel	49.00%
B)	GTPL Hathway Pvt. Ltd	51.00%
	Total	100.00%

07 : GTPL Kim Cable Entertainment		
Sr. No.	Name of the Partners	Share of Partner
A)	Shaileshbhai Balwantbhai Patel	49.00%
B)	GTPL Hathway Pvt. Ltd	51.00%
	Total	100.00%

08 : GTPL Ganesh Communication		
Sr. No.	Name of the Partners	Share of Partner
A)	Sejalben Hitesh Patel	24.50%
B)	Janesh Ramesh Pandya	24.50%
C)	GTPL Hathway Pvt. Ltd	51.00%
	Total	100.00%

09 : GTPL Nawaz Network		
Sr. No.	Name of the Partners	Share of Partner
A)	Abdul Habib Abdul Kadar Sheikh	50.00%
B)	GTPL Hathway Pvt. Ltd	50.00%
	Total	100.00%

10 : GTPL Khushboo Video Channel		
Sr. No.	Name of the Partners	Share of Partner
A)	GTPL Hathway Pvt. Ltd	51.00%
B)	Mrs. Sarlaben S. Gohel	49.00%
	Total	100.00%

11 : GTPL Universal Cable Network		
Sr. No.	Name of the Partners	Share of Partner
A)	Atarwala Malekul Ustaad Akbarbhai	50.00%
B)	GTPL Hathway Pvt. Ltd	50.00%
	Total	100.00%

12 : GTPL Sab Network		
Sr. No.	Name of the Partners	Share of Partner
A)	Sirajwala Abdul Rehman Bakarbai	50.00%
B)	GTPL Hathway Pvt. Ltd	50.00%
	Total	100.00%

13 : GTPL Yak Network		
Sr. No.	Name of the Partners	Share of Partner
A)	Yusuf Khan Abdulrahim Khan	50.00%
B)	GTPL Hathway Pvt. Ltd	50.00%
	Total	100.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 : SAI DL Vision		
Sr. No.	Name of the Partners	Share of Partner
A)	DLGTPL Cablnet Private Limited	50.00%
B)	Mr. Shekh Nebu Sheikh Basir Pinjari	40.00%
B)	Mr. Ansari Akram Babubhai	10.00%
	Total	100.00%

15 : GTPL Lucky World Vision		
Sr. No.	Name of the Partners	Share of Partner
A)	Yunus M Pathan	49.00%
B)	GTPL Hathway Pvt. Ltd	51.00%
	Total	100.00%

2.12 DEFERRED TAX ASSETS (NET)	As at March 31, 2013	
	2013	2012
Deferred Tax Assets on :		
Disallowances Under Income Tax Act 1961	-	-
Leave Encashment Payable	5,944,305	4,651,979
Carried Forward Losses	40,661,124	25,914,158
On Account of Bonus	816,064	-
Provision for Doubtful Debts	646,529	1,438,605
Others	1,381,564	4,957,754
Deferred Tax Liabilities on :		
Difference between book and tax depreciation	9,043,578	13,005,148
NET DEFERRED TAX ASSETS	40,406,008	23,957,348

2.13 LOANS AND ADVANCES	Long-Term		Short-Term	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
<u>CAPITAL ADVANCES</u>				
Unsecured, considered good unless stated otherwise				
Network Acquisitions	294,089,351	240,968,933	-	-
Advance to Suppliers	233,905,338	199,277,527	-	-
Less: Provision for doubtful advances	21,633,939	20,610,073	-	-
	506,360,750	419,636,387	-	-
<u>SECURITY DEPOSITS</u>				
Unsecured, considered good				
Security Deposits	193,099,355	177,516,014	10,239,325	54,772,957
	193,099,355	177,516,014	10,239,325	54,772,957
<u>LOANS AND ADVANCES TO RELATED PARTIES</u>				
Secured, considered good				
Unsecured, considered good unless stated otherwise				
Advance Recoverable	4,200,000	-	54,863,714	37,841,751
Advance to Firm in which Subsidiaries are partner	171,578,339	171,575,839	-	-
Advance to other Cable Ventures	61,018,580	68,058,872	277,730	279,972
Advances to Related Parties	1,924,488	2,767,912	11,255,272	6,922,355
Less: Provision for doubtful loans and advances	237,477,542	237,881,623	-	-
	1,243,865	4,521,000	66,396,716	45,044,078

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.13 LOANS AND ADVANCES	Long-Term		Short-Term	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
<u>OTHER LOANS AND ADVANCES</u>				
Unsecured, considered good				
Prepaid expenses	33,920,211	44,534,567	131,445,414	110,231,103
Staff Advances	66,609,807	62,394,744	8,260,473	11,137,116
Staff Loan	4,413,029	4,308,617	2,790,100	2,610,884
Sundry Advances	84,494,405	82,901,885	481,391,026	177,250,537
Service Tax Claimable	7,870,298	7,592,695	636,560,272	254,990,240
Loans Given	4,055,271	3,074,485	4,800,000	771,522
Advance Income taxes (Net of Provision)	210,274,645	66,210,694	162,512,623	157,230,569
Less: Provision for doubtful loans and advances to Others	18,317,800	19,915,089	-	-
	393,319,866	251,102,598	1,427,759,908	714,221,971
	1,094,023,834	852,776,000	1,504,395,949	814,039,006

2.14 TRADE RECEIVABLES	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	141,967,333	126,265,898	3,439,312,691	2,390,693,867
Doubtful	878,701,469	395,493,457	34,676,816	23,537,527
	1,020,668,802	521,759,355	3,473,989,507	2,414,231,394
Less: Provision for Doubtful Receivables	792,431,672	443,729,315	464,537	-
	228,237,130	78,030,040	3,473,524,970	2,414,231,394
Outstanding for a period exceeding six months from the date they are due for payment			149,511,294	104,662,811
Other receivables (Net of Provision for Doubtful Debts)			3,324,013,676	2,309,568,583
			3,473,524,970	2,414,231,394

2.15 OTHER ASSETS	Non-Current		Current	
	As at March 31,		As at March 31,	
	2013	2012	2013	2012
Unsecured, considered good unless stated otherwise				
Non-current bank balances (Note No. 2.18)	277,340,849	156,793,381	-	-
Fixed Deposit with Bank (Note No. 2.18)	36,999,049	15,600,000	-	-
Other Receivables	53,474	450,015	113,588,390	53,351,810
Interest accrued but not due	156,912	370,392	15,816,783	9,561,433
Others	3,944,719	256,055	7,320	10,980
	318,495,003	173,469,843	129,412,493	62,924,223

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.16 CURRENT INVESTMENTS	Face value	As at March 31, 2013		As at March 31, 2012	
	Rs. Per Unit	Quantity	Rupees	Quantity	Rupees
Current investments (valued at lower of cost and fair value, unless stated otherwise)					
Other Investments					
Quoted					
Mutual Funds					
IDFC Mutual Fund					
- FMP- Yearly Series 63*	10		-	3,500,000	35,000,000
			-		35,000,000
Unquoted					
Mutual Funds					
UTI Mutual Fund					
- Liquid Cash Plan- Institutional- Growth	1,000			9,953	17,500,729
Templeton India Fund					
- Treasury Management Account- Super Institutional - Growth	1,000			5,756	9,173,698
Reliance Mutual Fund					
- Liquid Fund- Treasury Plan- Institutional- Growth	10			1,533,554	40,000,000
			-		66,674,427
Investment in Others					
Rural Electrification Corporation Limited	10,000			500	3,750,000
			-		3,750,000
Investments in Partnership Firms**					
M/s GTPL Pol Star vision			1,913,974		
M/s GTPL World Vision			2,614,871		
M/s GTPL Zubi Video Vision			1,477,988		
M/s GTPL Bapu Network			1,980,107		-
			7,986,940		-
Less : Provision for diminution in investments			7,986,940		-
			-		-
Total Current Investments			-		105,424,427
Aggregate amount of quoted investments			-		35,000,000
Market Value of Quoted Investments			-		35,364,000
Aggregate amount of unquoted investments			7,986,940		70,424,427
Aggregate provision for diminution in value of investments			7,986,940		-

* Includes Nil units (March 31, 2012: 3,500,000 units) where lien has been marked in favour of a Financial Institution

** These Companies are now held for disposal, the same have been shown as investments and have been carried at cost with a suitable provision for diminution against the same.

2.17 INVENTORIES	Current As at March 31,	
	2013	2012
Inventories :		
Stock-in-Trade	6,881,305	7,807,754
Stock of Spares & Maintenance Items	267,960,466	47,099,242
	274,841,771	54,906,996

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.18 CASH AND BANK BALANCES	Non-Current As at March 31,		Current As at March 31,	
	2013	2012	2013	2012
Cash & Cash Equivalents				
Balances with banks:				
In Current Accounts	-	-	235,356,727	240,347,572
Fixed Deposits with original maturity less than 3 months	-	-	3,003,604	502,742,939
Cheques on Hand	-	-	83,541,408	88,008,668
Cash in hand	-	-	203,999,056	94,271,576
	-	-	525,900,795	925,370,755
Other Bank Balance				
Margin money deposit*	277,340,849	156,793,381	19,565,000	43,048,645
Fixed Deposits with original maturity less than 12 months	36,999,049	15,600,000	-	-
	314,339,898	172,393,381	19,565,000	43,048,645
Less: Amount disclosed under non current asset (Refer Note 2.15)	314,339,898	172,393,381	-	-
* Marked under lien in favour of Banks	-	-	545,465,795	968,419,400

3.01 REVENUE FROM OPERATIONS	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Sale of services		
Subscription Income	10,792,406,705	9,652,271,794
Rental Income on Equipments	84,331,683	105,185,767
Consultancy Income	48,241,114	59,514,721
Advertisement Income	165,838,019	126,479,046
Commission Income	44,610,532	44,948,211
	11,135,428,053	9,988,399,539
Sale of products		
Sale of Access Devices	28,364,689	98,437,741
	28,364,689	98,437,741
Other operating revenues		
Other Operational Income	161,448,361	34,364,072
	161,448,361	34,364,072
	11,325,241,103	10,121,201,352

3.02 OTHER INCOME	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Profit on Sale of Current Investments (Net)	33,106,613	75,865,598
Amount No Longer Payable Written Back	18,244,645	31,586,176
Interest on Fixed Deposits	34,880,931	26,656,613
Interest on Certificate of Deposits	-	9,923,417
Interest on Income Tax Refund	5,192,731	7,221,982
Gain on Foreign Exchange Fluctuation (Net)	41,649,998	1,398,114
Interest on Loans	156,865	499,979
Miscellaneous Income	23,543,162	11,869,857
Bad debts earlier written off now recovered	-	19,567
	156,774,945	165,041,303

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.03 PURCHASE OF STOCK-IN-TRADE	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Purchase of Access Device	61,061,075	111,856,555
	<u>61,061,075</u>	<u>111,856,555</u>

3.04 CHANGES IN STOCK-IN-TRADE	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Opening Stock	7,807,754	517,797
Less : Closing Stock	6,881,305	7,807,754
	<u>926,449</u>	<u>(7,289,957)</u>

3.05 OPERATIONAL EXPENSES	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Pay Channel Cost	4,325,057,043	4,294,638,569
Distribution Cost	212,053,830	243,117,175
Commission	278,230,400	290,662,037
Repairs & Maintenance (Plant & Machinery)	232,018,010	219,497,793
Bandwidth & Lease Line Cost	264,101,889	287,573,419
Rent	110,303,618	95,376,551
Feed charges	23,406,066	29,706,348
Other Sundry Operational Cost	127,124,974	74,149,374
Consultancy & Technical Fees	86,121,337	55,373,652
Software & Programming Cost	18,595,597	21,276,743
Hire Charges	6,816,387	9,877,115
Freight & Octroi Charges	17,525,318	13,632,577
Movie/Cable Rights Expenses	-	1,505,977
	<u>5,701,354,469</u>	<u>5,636,387,330</u>

3.06 EMPLOYEE BENEFITS EXPENSE	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Salaries & Bonus	863,341,299	845,467,691
Contribution to provident and other fund	54,779,024	41,454,532
Staff Welfare	38,593,805	38,116,173
Employee Stock Compensation Expense	3,844,621	725,447
	<u>960,558,749</u>	<u>925,763,843</u>

3.07 OTHER EXPENSES	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Service Charges	262,239,069	238,446,072
Bad Debts	110,097,583	493,947,734
Less: Transfer from Provision for Doubtful Debts	85,325,249	450,102,405
	<u>24,772,334</u>	<u>43,845,329</u>
Provision for Bad and Doubtful debts	547,623,441	489,356,588
Electricity Expenses	157,744,620	139,074,559
Rates & taxes	119,539,730	111,231,073
Office Expenses	95,156,621	76,789,172
Rent - Offices	81,131,446	81,526,819
Conveyance	85,472,214	79,618,202
Legal & Professional Charges	105,322,212	119,999,452

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.07 OTHER EXPENSES	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Advertisement & Promotion expenses	78,669,748	76,525,565
Loss on disposal / shortage of assets	39,157,999	43,033,371
Communication Charges	45,292,342	45,980,698
Repairs & Maintenance (Others)	59,921,618	68,986,932
Travelling	29,507,905	35,859,503
Miscellaneous Expenses	20,979,581	17,209,715
Printing & Stationery	23,237,955	20,898,986
Business Promotion Expenses	37,754,928	35,950,907
Sundry Advances Written Off	1,121,410	3,794,169
Preliminary Exp Written Off	86,394	102,405
Sundry Administration Expenses	815,689	383,688
Insurance Charges	5,482,909	6,498,936
Interest on Taxes	14,109,920	11,255,750
Sitting Fees	5,808,388	1,471,990
Provision for Bad & Doubtful Advances	9,770,691	14,777,604
Donation	3,578,460	6,540,122
Auditor's Remuneration		
- Statutory Audit Fees	3,250,000	3,250,000
- Audit Fees	825,000	825,000
- Limited Review, Consolidation & Certification Fees	1,810,000	1,810,000
- Tax Representation Fees	150,000	150,000
- Other Consultancy Services	2,650,000	2,665,000
	1,862,982,624	1,777,857,607

3.08 DEPRECIATION AND AMORTISATION	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Depreciation on Tangible Assets	1,441,897,117	1,184,543,131
Amortisation of Intangible Assets	180,558,517	224,272,119
	1,622,455,634	1,408,815,250

3.09 FINANCE COST	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Interest and Finance Charges	494,542,489	383,624,228
Bank Charges	105,409,742	66,242,509
Exchange difference to the extent considered as an adjustment to finance cost	1,820,412	69,990,982
	601,772,643	519,857,719

3.10 EXCEPTIONAL ITEM *	Year ended March 31,	
	2013	2012
	Rupees	Rupees
Reversal of Interest being exchange differences arising from foreign currency borrowings for FY 2011-12 pursuant to MCA Circular dated August 9, 2012	(51,461,260)	-
Provision for Doubtful Advances / Investments / Receivables	2,352,991	6,560,060
Impairment and write off of Assets in respect of Operations in Tamil Nadu	-	104,333,068
Sundry balance written-back relating to Operations in Tamil Nadu	-	(10,444,370)
Expenses on account of introduction of Digital Addressable System (DAS)	50,035,460	4,040,839
Provision for Entertainment Tax of earlier years	78,391,540	-
	79,318,731	104,489,597
* Refer Note 4.03		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

Name of the Subsidiary	Country of the Incorporation	Date on which it became Subsidiary	Ownership in % either directly or through subsidiaries	
			March 31, 2013	March 31, 2012
Channels India Network Pvt.Ltd.	India	07.04.1998	95.63%	95.63%
Vision India Network Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Liberty Media Vision Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Ideal Cables Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Hathway Channel 5 Cable & Datacom Pvt. Ltd.(Refer Note No. 4.02 (B) (ii))	India	07.04.1998	51.00%	51.00%
Bee Network & Communication Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Elite Cable Network Pvt.Ltd.	India	07.04.1998	80.00%	80.00%
Binary Technology Transfers Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Hathway Media Vision Pvt.Ltd.	India	13.08.1998	100.00%	100.00%
UTN Cable Communication Pvt.Ltd.	India	31.05.1999	51.00%	51.00%
ITV Interactive Media Pvt.Ltd	India	09.09.1999	100.00%	100.00%
Chennai Cable Vision Network Pvt.Ltd.	India	30.09.1999	75.99%	75.99%
Hathway Universal Cabletel & Datacom Pvt. Ltd.	India	10.03.2000	100.00%	100.00%
Win Cable Datacom Pvt. Ltd.	India	15.03.2000	100.00%	100.00%
Hathway Space Vision Cabletel Pvt.Ltd.	India	21.03.2000	100.00%	100.00%
Hathway Software Developers Pvt.Ltd.	India	21.03.2000	65.00%	65.00%
Hathway Nashik Cable Network Pvt.Ltd.	India	27.07.2000	90.06%	90.06%
Hathway Cnet Pvt.Ltd.	India	27.07.2000	100.00%	100.00%
Hathway United Cables Pvt.Ltd.	India	01.12.2000	100.00%	100.00%
Hathway Internet Satellite Pvt.Ltd.	India	01.01.2001	100.00%	100.00%
Hathway Krishna Cable Pvt.Ltd.	India	22.07.2002	97.20%	97.20%
Hathway Mysore Cable Network Pvt.Ltd.	India	29.11.2003	63.50%	63.50%
Hathway Prime Cable & Datacom Pvt.Ltd.	India	03.02.2006	51.00%	51.00%
Hathway Gwalior Cable & Datacom Pvt.Ltd.	India	01.05.2007	100.00%	100.00%
Hathway Digital Saharanpur Cable & Datacom Pvt Ltd	India	01.03.2008	51.00%	51.00%
Hathway Enjoy Cable Network Pvt.Ltd.	India	07.06.2007	100.00%	100.00%
Hathway JMD Farukhabad Cable & Datacom Pvt.Ltd.	India	01.05.2007	100.00%	100.00%
Hathway MCN Pvt.Ltd.	India	01.06.2007	51.00%	51.00%
Hathway Sonali OM Crystal Cable Pvt Ltd	India	01.01.2008	51.00%	51.00%
Hathway ICE Television Pvt Ltd	India	15.10.2007	51.00%	51.00%
Hathway Rajesh Multichannel Pvt.Ltd.	India	01.10.2007	51.00%	51.00%
Net 9 Online Hathway Pvt Ltd	India	01.03.2008	50.00%*	50.00%*
GTPL Hathway Pvt.Ltd.	India	12.10.2007	50.00%*	50.00%*
Hathway Bhaskar Multinet Pvt Ltd	India	31.12.2007	100.00%	51.00%
Hathway New Concept Cable & Datacom Pvt Ltd	India	01.09.2008	51.00%	51.00%
Hathway Latur MCN Cable & Datacom Pvt Ltd	India	15.01.2008	51.00%	51.00%
Hathway Cable MCN Nanded Pvt Ltd	India	17.06.2008	51.00%	51.00%
Hathway Palampur Cable Network Pvt Ltd	India	01.04.2008	51.00%	51.00%
Hathway Mantra Cable & Datacom Pvt Ltd	India	30.08.2007	98.00%	98.00%
Hathway Sai Star Cable & Datacom Pvt Ltd	India	01.09.2008	51.00%	51.00%
Hathway Bhawani Cabletel & Datacom Ltd.	India	31.08.2009	51.00%	51.00%
Hathway Dattatray Cable Network Pvt Ltd	India	01.07.2009	51.00%	51.00%
Hathway Kokan Crystal Cable Network Pvt. Ltd.	India	01.11.2010	51.00%	51.00%

*Subsidiary due to Board Control

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

Joint Venture directly held and Company's effective Shareholding therein	Country of the Incorporation	March 31, 2013	March 31, 2012
Hathway Sukhamrit Cable & Datacom Pvt. Ltd. (Refer Note No. 4.02(A)(v))	India	49.00%	49.00%
Hathway SS Cable & Datacom LLP	India	51.00%	-

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

Associate's directly held and Company's effective Shareholding therein	Country of the Incorporation	March 31, 2013	March 31, 2012
Hathway VCN Cabletel Pvt.Ltd.	India	25.03%	25.03%
Pan Cable Services Pvt.Ltd.	India	33.33%	33.33%

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

<u>Subsidiaries of Hathway Bhaskar Multinet Pvt. Ltd.</u>	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2013	March 31, 2012
Hathway Bhaskar CCN Multinet Pvt.Ltd. (f.k.a.: Hathway Bhaskar Pagariya Multinet Pvt.Ltd.)	India	01.07.2008	51.00%	26.01%
Hathway Bhaskar CCN Entertainment (India) Pvt.Ltd. (f.k.a.: CCN Entertainment (India) Pvt.Ltd.)	India	01.07.2008	51.00%	26.01%
Hathway Bhaskar CBN Multinet Pvt.Ltd. (f.k.a.: Hathway CBN Bhaskar Multinet Pvt.Ltd.)	India	01.07.2008	51.00%	26.01%
Hathway Bhaskar CCN Multi Entertainment Pvt.Ltd.	India	29.09.2011	70.00%	35.70%
<u>Subsidiaries of Hathway Bhawani Cabletel & Datacom Ltd.</u>	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2013	March 31, 2012
Hathway Bhawani NDS Network Pvt. Ltd.	India	13.10.2010	26.01%	26.01%
Hathway Bhawani Sai Network Pvt. Ltd.	India	03.11.2011	0.51% *	0.51% *
<u>Subsidiaries of GTPL Hathway Pvt. Ltd.</u>	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2013	March 31, 2012
GTPL Anjali Cable Network Pvt. Ltd.	India	03.02.2009	25.50%	25.50%
GTPL Solanki Cable Network Pvt. Ltd.	India	02.07.2008	25.50%	25.50%
GTPL Zigma Vision Pvt. Ltd.	India	20.02.2009	35.30%	35.30%
GTPL S K Network Pvt. Ltd.	India	01.12.2008	25.50%	25.50%
GTPL Video Badshah Pvt. Ltd.	India	04.08.2008	25.50%	25.50%
GTPL Kutch Network Pvt. Ltd.	India	23.01.2009	25.50%	25.50%
GTPL City Channel Pvt. Ltd.	India	31.07.2008	25.50%	25.50%
GTPL Smc Network Pvt. Ltd.	India	21.01.2009	25.50%	25.50%
GTPL Surat Telelink Pvt. Ltd.	India	23.01.2009	25.50%	25.50%
GTPL Vidarbha Telelink Pvt. Ltd.	India	01.09.2009	25.61%	25.61%
GTPL Space City Pvt. Ltd.	India	13.04.2009	25.50%	25.50%
GTPL Vision Services Pvt. Ltd.	India	01.10.2009	31.75%	31.75%
GTPL Jai Mataji Network Pvt. Ltd.	India	01.08.2009	25.00%	25.00%
GTPL Narmada Cyberzone Pvt. Ltd.(fka Narmada Cyberzone Pvt. Ltd.)	India	01.10.2009	30.00%	30.00%
GTPL Shivshakti Network Pvt. Ltd.	India	01.04.2009	25.50%	25.50%
GTPL Link Network Pvt. Ltd.	India	15.04.2009	25.50%	25.50%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

<u>Subsidiaries of Hathway Bhaskar Multinet Pvt. Ltd.</u>	Country of the Incorporation	Date on which it became Subsidiary	March 31, 2013	March 31, 2012
GTPL VVC Network Pvt. Ltd.	India	15.04.2009	25.50%	25.50%
GTPL Blue Bell Network Pvt. Ltd.	India	01.10.2009	46.00%	46.00%
GTPL Parshwa Cable Network Pvt. Ltd.	India	01.10.2009	28.66%	28.66%
GTPL Insight Channel Network Pvt. Ltd. (fka Insight Channel Network Pvt. Ltd.)	India	01.01.2009	37.23%	37.23%
GTPL Kolkata Cable & Broadband Pariseva Limited	India	30.06.2010	25.50%	25.50%
GTPL Dahod Television Network Pvt. Ltd.	India	01.08.2010	25.50%	25.50%
GTPL Jay Santoshima Network Pvt. Ltd.	India	31.03.2011	25.50%	25.50%
GTPL Sorath Telelink Pvt. Ltd.	India	01.04.2010	25.50%	25.50%
Gujarat Telelink East Africa Ltd.	Kenya	01.06.2010	25.50%	25.50%
GTPL Shiv Network Pvt. Ltd.	India	01.10.2010	25.50%	25.50%
GTPL Sharda Cable Network Pvt. Ltd.	India	02.11.2011	25.50%	25.50%
GTPL Ahmedabad Cable Network Pvt. Ltd.	India	01.06.2011	25.50%	25.50%
D.L GTPL Cabnet Pvt. Ltd. (fka D.L Cabnet Pvt. Ltd.)	India	01.11.2011	13.00%*	13.00%*
GTPL V&S Cable Pvt. Ltd. (fka V&S Cable Pvt. Ltd.)	India	17.01.2012	25.50%	25.50%
GTPL Video Vision Pvt Ltd	India	01.10.2012	25.50%	Nil

*Subsidiary due to Board Control

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

Joint Venture of GTPL Hathway Pvt. Ltd	Country of the Incorporation	Effective Ownership in Joint Venture	
		March 31, 2013	March 31, 2012
M/S. Airlink Communication	India	25.50%	25.50%
M/S. GTPL A J Enterprise	India	37.50%	37.50%
M/S. GTPL Anil Cable Services	India	25.50%	25.50%
M/S. GTPL Ashok Cable Services	India	25.50%	25.50%
M/S. GTPL Atul Cable Network	India	25.50%	25.50%
M/S. GTPL Bariya Television Network	India	25.50%	25.50%
M/S. GTPL Gujarat Television Network	India	25.50%	25.50%
M/S. GTPL H K Cable	India	25.50%	25.50%
M/S. GTPL Jaydeep Cable	India	25.50%	25.50%
M/S. GTPL Kal Cable Network	India	25.50%	25.50%
M/S. GTPL Khambhat Cable Network	India	25.50%	25.50%
M/S. GTPL Krishna Cable Network	India	25.50%	25.50%
M/S. GTPL Krishna Cable Services	India	25.50%	25.50%
M/S. GTPL M Channel	India	25.50%	25.50%
M/S. GTPL Maa Bhagwati Entertainment	India	25.50%	25.50%
M/S. GTPL Om Net	India	25.00%	25.00%
M/S. GTPL Pearl Communication	India	30.00%	30.00%
M/S. GTPL Pooja Cable	India	25.50%	25.50%
M/S. GTPL Rainbow Multi Channel	India	25.50%	25.50%
M/S. GTPL Rainbow Video Vision	India	25.50%	25.50%
M/S. GTPL Raj World Vision	India	25.50%	25.50%
M/S. GTPL Rajwadi Channel	India	25.50%	25.50%
M/S. GTPL Renuka Cable	India	25.50%	25.50%
M/S. GTPL S P Enterprise	India	25.50%	25.50%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Joint Venture of GTPL Hathway Pvt. Ltd	Country of the Incorporation	Effective Ownership in Joint Venture	
		March 31, 2013	March 31, 2012
M/S. GTPL Sagar Cable Services	India	25.50%	25.50%
M/S. GTPL Sai Cable	India	25.50%	25.50%
M/S. GTPL Shiv Cable	India	25.50%	25.50%
M/S. GTPL Shiv Networks	India	25.50%	25.50%
M/S. GTPL Shree Sai Cable Network	India	30.00%	30.00%
M/S. GTPL Shree Shani Cable	India	25.50%	25.50%
M/S. GTPL Valsad Network	India	30.00%	30.00%
M/S. GTPL Vraj Cable	India	25.50%	25.50%
M/S. GTPL World View Cable	India	25.50%	25.50%
M/S. GTPL World Vision - Ambaji	India	25.50%	25.50%
M/S. GTPL Sainath World Vision	India	25.50%	25.50%
M/S. GTPL Hamidali Rizwi	India	25.50%	25.50%
M/S. GTPL Star Line Networks	India	25.50%	25.50%
M/S. GTPL Narmada Cable Services	India	25.50%	25.50%
M/S. GTPL Leo Vision	India	25.50%	25.50%
M/S. GTPL Bawa Cable	India	25.50%	25.50%
M/S. GTPL Sai Vision	India	25.50%	25.50%
M/s. GTPL Jyoti Cable	India	25.50%	25.50%
M/s. GTPL Sanjiv Cable Vision	India	25.50%	25.50%
M/s. GTPL Shiv Cable (Manish Joshi)	India	25.50%	25.50%
M/s. GTPL Shiv Cable (Rajesh Patel)	India	25.50%	25.50%
M/s. GTPL Hariom World Vision	India	25.50%	25.50%
M/s. GTPL Henish Cable Vision	India	25.50%	25.50%
M/s. GTPL Sky World Vision	India	25.50%	25.50%
M/s. GTPL - Buldhana City Cable Network	India	25.50%	25.50%
M/s. GTPL Chaudhary Vision	India	25.50%	Nil

*Joint Ventures incorporated based on management accounts.

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

Name of Joint Venture	March 31, 2013	March 31, 2012
Hathway JMD Balaji Cable Network.	Nil	Nil

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

Name of the Associate	March 31, 2013	March 31, 2012
GTPL Rajwadi Network Pvt Ltd.	12.50%	12.50%

4.02 NOTE ON CONSOLIDATION OF CERTAIN SUBSIDIARIES/ JOINT VENTURES:-

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

i) M/s. Hathway Space Vision

Two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. and Hathway Internet Satellite Pvt. Ltd. were majority partners in a partnership firm, namely, M/s. Hathway Space Vision (the firm). The aforesaid majority partners of the firm had initiated legal action against the minority partner viz. Space Vision Cabletel Pvt. Ltd. with reference to some management and operational issues and had made monetary claims against the minority partner. The minority partner had also filed certain counter claims against the wholly owned subsidiaries. After a long drawn legal battle, the firm stands dissolved under the directions of the Bombay High Court and the Court Receiver has been appointed as the Receiver of the assets and business of the firm. The issues concerning accounts and dissolution including adjudicating upon the original claims and counter claims made before the earlier Arbitrator are referred to for fresh Arbitration. The matter is pending. There are no claims against the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The Company has investments in said fully owned subsidiaries namely Hathway Internet Satellite Pvt. Ltd. & Binary Technology Transfers Pvt. Ltd. of Rs.100,000 (March 31, 2012 :Rs.100,000) and Rs.100,000 (March 31, 2012 :Rs.100,000) and Loans and advance of Rs.15,915,359 (March 31, 2012 :Rs.15,915,359) , Rs.15,909,137 (March 31, 2012 :Rs.15,909,137) respectively which has been fully provided for in the books.

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

The Company had filed petition to wind up Hathway Jai Mata Di Sherawali Cable & Datacom Private Limited (HJMD), a subsidiary company, on just and equitable ground. In view of the Management disputes with the other Shareholders, the Company has decided to take such an action. The Delhi High Court has since passed the necessary order to liquidate HJMD and the investment of Rs 80,00,000 (March 31, 2012 80,00,000) and Loans & Advances of Rs 5,421,482 (March 31, 2012 : Rs. 5,421,482) & receivables of Rs. 7,450,717 (March 31, 2012 : 7,450,717) which was fully provided in the previous year, has been written off from the books during the year.

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

Name of the Entity	Effective date of Partnership	Effective Ownership in Joint Venture	
		March 31, 2013	March 31, 2012
M/s GTPL Ganesh Communication	01.11.2007	25.50%	25.50%
M/s GTPL Kim Cable Entertainment	01.01.2008	25.50%	25.50%
M/s GTPL Lucky World Vision	01.05.2008	25.50%	25.50%
M/s GTPL Nawaz Network	01.10.2008	25.00%	25.00%
M/s GTPL Sab Network	01.10.2008	25.00%	25.00%
M/s GTPL Universal Cable Network	01.10.2008	25.00%	25.00%
M/s GTPL Yak Cable Network	01.10.2008	25.00%	25.00%
M/s.GTPL GP Marketing	01.08.2009	25.50%	25.50%
M/s GTPL Khushboo Video Channel	01.04.2011	25.50%	25.50%
M/s. GTPL Shiv Vision	01.06.2011	25.50%	25.50%
M/s. GTPL Space	31.03.2012	25.50%	25.50%
M/s. GTPL Lucky World Video	01.06.2008	25.50%	25.50%
M/S. Unity Cable Network *	14.03.2011	13.01%	13.01%
M/S. Sai DL Vision *	01.11.2011	6.50%	6.50%

* These entities are Joint Venture of subsidiaries of one of our subsidiary GTPL

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

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

Name of the Entity	Effective Ownership in Joint Venture	
	March 31, 2013	March 31, 2012
M/S. GTPL Zubi Video Vision	25.50%	25.50%
M/S. GTPL Bapu Network	25.50%	25.50%
M/S. GTPL Pol Star Vision	25.50%	25.50%
M/S. GTPL World Vision – Sangali	25.50%	25.50%

- v) The Company has a holding of 49% in one of its Joint ventures namely Hathway Sukhamrit Cable & Datacom Pvt. Ltd.. In the absence of availability of the financials for the purposes of this consolidated financial statement, Consolidated Financial Statement for the year 2012-13 was prepared without considering audited financial statement of this Joint Venture. The difference between audited financial statement and unaudited financial statement for the year, amounting to Rs.15,31,516 (March 31, 2012 Rs.21,337,970) is included in prior period adjustment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

B) Reasons for consolidation based on Management Accounts :

- i) The Company has a holding of 51% in some of its step down subsidiaries Companies namely Hathway Bhaskar CCN Multinet Pvt.Ltd. (f.k.a.: Hathway Bhaskar Pagariya Multinet Pvt.Ltd.), Hathway Bhaskar CCN Entertainment (India) Pvt.Ltd. (f.k.a.: CCN Entertainment (India) Pvt.Ltd.), Hathway Bhaskar CBN Multinet Pvt.Ltd. (f.k.a.: Hathway CBN Bhaskar Multinet Pvt.Ltd.) and Hathway Bhaskar CCN Multi Entertainment Pvt.Ltd. In the absence of availability of the Audited financials for the purposes of this consolidated financial statement, Consolidated Financial Statement for the year 2012-13 was prepared with considering the Management Accounts of this subsidiaries.
- ii) During the year 2010-11 the Company had, in respect of a joint venture viz. Hathway Channel 5 Cable & Datacom Pvt. Ltd., filed a complaint against the joint venture partner for committing various criminal offences such as misappropriation of funds, falsification of accounts, fraudulent destruction of security etc. and had made claim of Rs.74,321,905. The matter has since been settled out of court and both the parties have withdrawn their respective cases. The exposure of the Company is Rs. 100,939,497 (March 31, 2012: Rs.99,779,696). On settlement of disputes, the provision of Rs. 62,819,311 made during the year 2010-11 has been reversed in the previous year.

Consolidated Financial Statement for the year 2012-13 was prepared considering unaudited financial statement of this subsidiary. The difference between audited financial statement and unaudited financial statement for the previous year, amounting to Rs.9,352,344 (March 31, 2012 Rs.Nil) is included in prior period adjustment.

- C) Pursuant to the Securities Exchange Board of India circular no. CIR/CFD/DIL/7/2011 dated October 5, 2011, all listed companies are required to submit their Standalone and Consolidated annual audited results within 60 days from the end of the financial year. In respect of one of the subsidiary Company namely GTPL Hathway Pvt. Ltd. having many step down subsidiaries, it was not practicable to draw up the financial statement upto March 31, 2013 within stipulated period. Accordingly, the management has considered audited consolidated financial statements of that subsidiary for a period of 9 months i.e period ended December 31, 2012 and adjustments have been made to give effects of significant transactions and other events that occur between January 1, 2013 and March 31, 2013.

4.03 EXCEPTIONAL ITEMS

- A) The Company in its ordinary course of business has promoted / acquired interest in various entities. The Company's exposure to these entities on account of Investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Trade Receivables is Rs. 3,683,121 (March 31, 2012: Rs. 9,006,232), Rs. 234,521,402 (March 31, 2012: Rs. 238,015,902) and Rs. 530,400 (March 31, 2012: Rs. 7,450,717) respectively. The Company has made provision on overall basis of Rs. 3,212,527 (March 31, 2012: Rs. 9,006,232), Rs. 234,521,402 (March 31, 2012: Rs. 238,015,902) and Rs.530,400 (March 31, 2012: Rs. 7,450,717) against such Investments, Loans and Advances and Trade Receivables respectively.

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

- B) During the year 2009-10, due to certain business exigencies in the state of Tamilnadu, local cable operators and subscribers had migrated to competing Multi System Operator (MSO) and other service providers. As a consequence, the Company relocated part of its assets to other States so as to maximize the economic returns to the Company and is in the process of recovering balance access devices and other assets. However, as a matter of abundant caution, additional provision has been made as an Exceptional Item for Rs. Nil (March 31, 2012: Rs.104,333,070).

Also In addition to the above Rs.Nil (March 31, 2012: Rs.10,444,370) has been written back after netting of expense for loans and advances, deposits and other current assets against current liabilities and deposit received outstanding in the books in the state of Tamilnadu.

- C) Pursuant to the implementation of Digital Addressable System (DAS), the Company has incurred expenditure amounting to Rs. 50,035,460 (March 31, 2012: Rs.4,040,839) towards promotional campaign relating to awareness of DAS for 100% digitalization for all the four metros from November 01, 2012.
- D) The Ministry of Corporate Affairs vide circular dated August 09, 2012 clarified that loss arising on foreign exchange fluctuation is not to be recognised as interest cost in terms of para 4(e) of Accounting Standard 16 on Borrowing Costs in the event a company has opted for an option granted under earlier circular relating to capitalization / amortisation of foreign exchange losses. In view of the same, during the year the Company has reversed finance cost of Rs. 59,005,974 for the year ended March 31, 2012 and capitalised the same resulting in higher depreciation by Rs. 7,544,714 for the year ended March 31, 2012. The aforesaid change resulted in net gain of Rs. 51,461,260 and has been shown as "Exceptional Item" in the Statement of Profit & Loss.

- 4.04 The Trade Receivables includes amount due from disconnected / inactive customers and outstanding in excess of one year. The Company is taking adequate steps for recovery of overdue debts and advances and wherever necessary, adequate provisions have been made. In the opinion of the Board, long-term Loans & Advances, Trade Receivables and Current Assets have a realizable value in the ordinary course of business not less than the amount at which they are stated in the Balance Sheet.

4.05 INTANGIBLE ASSETS

Based on factors such as past experience, industry trends, value added services and quality of services provided by the Company, trends in other countries, various changes proposed in the regulations governing the industry, future business plans, estimated

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

residual value etc., the Company is of the opinion that the useful life of the Cable Television Franchise acquired by the company will exceed twenty years. Accordingly, the same has been amortised over a period of twenty years from the date of acquisition.

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

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

4.06 Goodwill on Consolidation comprises of :

Particulars	March 31, 2013	March 31, 2012
	(Rs.)	(Rs.)
Goodwill on Consolidation	2,089,041,430	1,952,446,394
Less :Capital Reserve on Consolidation	19,671,802	5,709,986
Net Goodwill on Consolidation	2,069,369,628	1,946,736,408

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 Rs.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 Rs.110.20 to Rs.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, 2013	March 31, 2012
	(Rs.)	(Rs.)
Total accounting value of Options Outstanding (A)	3,260,105	4,928,443
Deferred Employee Compensation Expense	13,102,302	29,085,608
Less: Amortized	12,786,819	24,882,613
Net Deferred Employee Compensation Expense (B)	315,483	4,202,995
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	2,944,622	725,448

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

Shares Underlying Options Outstanding

Sr. No.		Particulars	31st March 2013		31st March 2012	
			(Rs.)		(Rs.)	
			No. of Shares	Weighted Average Exercise Price (Rs.)	No. of Shares	Weighted Average Exercise Price (Rs.)
A	a	Outstanding at the beginning of the year	620,199	118.36	769,999	117.33
	b	Granted during the year	Nil	Nil	Nil	Nil
	c	Forfeited/ Cancelled during the year	8,000	110.20	13,500	110.20
	d	Exercised during the year option I	270,000	110.20	Nil	Nil
	e	Exercised during the year option II	46,100	157.30	Nil	Nil
	f	Expired during the year option I	6,300	110.20	127,200	110.20
	g	Expired during the year option II	24,500	157.30	9,100	157.30

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Sr. No.	Particulars	31st March 2013		31st March 2012	
		(Rs.)		(Rs.)	
		No. of Shares	Weighted Average Exercise Price (Rs.)	No. of Shares	Weighted Average Exercise Price (Rs.)
B	Outstanding at the end of the year	265,299	116.73	620,199	118.36
C	Exercisable at the end of the year	265,299	116.73	491,159	118.15
D	Method of Settlement	Equity	Equity	Equity	Equity
E	Weighted average remaining contractual life (in months)		0.53		8.56
F	Weighted average Fair Value of Option granted during the year		Nil		Nil

4.08 PRIOR PERIOD ITEMS

Detail of Prior Period Income and Expenses is as under:

Particulars	2012-2013	2011-2012
	(Rs.)	(Rs.)
Income of earlier years credited to Statement of Profit and Loss		
- Subscription Income	6,889,365	3,304,611
- Others	155,221	1,816,105
Expenses of earlier years reversed and credited to Statement of Profit and Loss		
- Electricity charges	297,000	2,371,008
- Interest and Finance Charges	5,220,000	-
- Other Operational cost	112,476	1,194,535
- Pay Channel Cost	6,439,643	1,167,773
- Salaries & Bonus	142,914	891,112
- Others	2,432,916	3,023,004
TOTAL CREDIT (A)	21,689,535	13,768,148
Income of earlier years reversed and debited to Statement of Profit and Loss		
- Subscription Income	9,330,620	2,730,678
- Others	45,000	16,709
Expenses of earlier years debited to Statement of Profit and Loss		
- Advertisement & Promotion expenses	2,574,792	450,000
- Other Operational cost	111,405	25,102,403
- Pay Channel Cost	4,289,334	15,135,103
- Rates & Taxes	2,201,870	130,455
- Others	1,706,486	13,320,999
TOTAL DEBIT (B)	20,259,507	56,886,347
Net Debit / (Credit) to Statement of Profit and Loss (A-B)	(1,430,028)	43,118,199

4.09 LEASES

(a) Finance Leases:

Lease rentals outstanding as at 31st March 2013 in respect of fixed assets taken on finance lease are as under:

Due	Total minimum lease payments outstanding as at March 31, 2013	Interest not due	Present value of minimum lease payments as at March 31, 2013
Not Later than 1 year	450,572,479	154,397,556	296,174,923
	(194,200,714)	(45,075,954)	(149,124,760)
Later than 1 year and not later than 5 years	1,704,836,986	280,029,465	1,424,807,521
	(430,636,673)	(58,975,442)	(371,661,231)
Later than 5 years	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)
Total	2,155,409,465	434,427,021	1,720,982,444
	(624,837,387)	(104,051,396)	(520,785,991)

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Finance Lease obligation of Long-Term Borrowing (Ref: Note No: 2.03) include Rs. 2,181,110,377 payable to lessor under finance lease arrangement (March 31, 2012: Rs.518,353,007).

(b) Operating Leases (As Lessee):

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

(c) One of the Subsidiary of the company, namely GTPL Hathway Pvt. Ltd. has taken Dark Fibers on Optical Fiber Cable and certain other equipments under a cancellable operating lease. The total rental expense under cancellable operating leases during the period was Rs. 54,416,000 (March 31, 2012: Rs. 61,595,000).

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

Particulars	March 31, 2013	March 31, 2012
	(Rs.)	(Rs.)
Rental Expense debited to Statement of Profit & Loss	85,184,818	37,608,569
Payable in the next one year	66,186,578	23,100,906
Payable after next one year but Before next five years	153,270,972	2,625,800
Payable after five years	8,177,510	Nil

(e) Details of Cancellable Leases are as under:

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

Rental Expenses debited to the Statement of Profit & Loss Rs.93,418,569 (March 31, 2012 : Rs. 107,387,265)

(f) Operating Leases (As Lessor):

Particulars	March 31, 2013	March 31, 2012
	(Rs.)	(Rs.)
Gross Carrying Amount of assets capitalised as Plant & Machinery and given on operating lease	1,442,771,356	842,340,963
Depreciation for the year	151,890,866	97,883,026

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

4.10 EMPLOYEE BENEFITS

(a) Defined Benefit Plans:

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

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

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

	Category	As at March 31, 2013 [Gratuity (Rs.)]	As at March 31, 2012 [Gratuity (Rs.)]
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	47,965,372	35,929,987
	Current Service Cost	12,260,492	12,281,790
	Interest Cost	3,856,651	2,803,711
	Benefits Paid	(2,294,704)	(2,774,885)
	Actuarial Gain / (Loss)	1,499,988	(275,231)
	Projected benefit obligations at end of the year	61,942,160	47,965,372
2	Change in plan assets:		
	Plan assets at the beginning of the year	36,071,569	31,006,628
	Expected return on plan assets	3,447,969	3,001,525
	Actuarial Gain / (Loss)	(116,610)	(1,666,512)
	Contributions	12,577,042	6,504,813
	Benefits Paid	(2,294,704)	(2,774,885)
	Plan assets at the end of the year	49,685,266	36,071,569

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	Category	As at March 31, 2013 [Gratuity (Rs.)]	As at March 31, 2012 [Gratuity (Rs.)]
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Fair Value of plan assets at the end of the year	49,685,266	36,071,569
	Present value of the defined benefit obligations at the end of the year	61,942,160	47,965,372
	Liability / (Asset) recognised in the Balance Sheet	12,256,894	11,893,803
4	Cost for the year		
	Current Service Cost	12,260,492	12,281,790
	Interest Cost	3,856,651	2,803,711
	Expected return on plan assets	(3,447,969)	(3,001,525)
	Actuarial Gain / (Loss)	1,616,598	1,391,281
	Net Cost recognised in the Statement of Profit & Loss	14,285,772	13,475,257
5	Assumptions		
	Interest rate for discount	8.05 to 8.25%	8.5 to 8.65%
	Estimated rate of return on plan assets	8.69%	8.05%-9.15%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	7.00 to 9.00 %	7.00 to 8.00 %
	Employee Attrition Rate (Past service)	Factor of age - 2 - 10% and past experience	Factor of age - 0- 12% and past experience
6	Investment Details		
	Deposit With LIC of India	40.22%	44.92%
	Deposit With ING Vysya Life Insurance Corporation of India	59.78%	55.08%
		100.00%	100.00 %

7.	Other Disclosure:				
Particulars	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Defined benefit obligation	61,942,160	47,965,372	35,929,987	17,005,173	15,270,510
Plan assets	49,685,266	36,071,569	31,006,628	19,221,998	10,892,738
Surplus/(Deficit)	(12,256,894)	(11,893,803)	(4,923,359)	2,216,825	(4,377,772)
Experience adjustment on obligation - gain/(loss)	1,499,988	(275,231)	2,695,233	(709,416)	1,049,302
Experience adjustment on plan assets - gain/(loss)	(116,610)	(1,666,512)	(146,465)	3,153,402	(1,665,405)
Experience adjustment (best estimate) to funded plans in subsequent financial year	1,616,598	1,391,281	2,841,698	(3,862,818)	2,714,707

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

(b) Defined Contribution Plans:

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

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

Particulars	March 31, 2013	March 31, 2012
Assets		
Fixed assets	94,888,253	83,782,969
Non Current Investment	6,210	652,790
Long Term Advances	611,631	75,494,201
Cash & Bank Balances	17,303,504	10,527,061

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Particulars	March 31, 2013	March 31, 2012
Trade Receivables	37,258,470	36,401,649
Short Term Loans & Advances	118,268,874	41,264,449
Current Investment	-	1,875,000
Liabilities		
Current liabilities	140,498,168	134,884,465
Particulars		
Sales	35,905,927	125,034,226
Other income	149,466	310,112
Total income	36,055,393	125,344,338
Operating and other expenses	18,411,897	80,421,761
Selling & Administrative Expenses	6,234,328	11,417,550
Employee's remuneration and benefits	5,307,887	9,043,330
Financial charges	72,659	266,735
Depreciation/ amortization	3,801,442	7,008,094
Total expenditure	33,828,213	108,157,470

4.12 CONTINGENT LIABILITIES

Particulars	March 31, 2013	March 31, 2012
Counter indemnity given by the Company favoring the bankers for having given bank guarantees	97,472,477	49,907,075
Corporate Guarantee	1,511,300,000	1,044,200,000
Outstanding Letter of Credit	1,802,117,557	474,551,057
Total	3,410,890,034	1,568,658,132

- a) The Company as well as few broadcasters have claims and counter claims against each other, which are yet to be finalised and settled. The contingent liability in respect of such claims wherever ascertained, have been considered under Claims against the company not acknowledged as debts. In addition, upto the previous year, pending finalisation of negotiations with one of the broadcasters, the Company has accounted pay channel cost net of discounts expected from such broadcaster
- b) The relevant Authority under the Karnataka Sales Tax / VAT had initiated proceeding to reassess the Company's liability for the financial years 2001-02 to 2008-09 on the argument that light energy created while using OFC network for the purposes of transmission is goods and hence liable to tax under relevant state legislation. On writ petition, the Karnataka High Court has held against the Company. On further appeal, the Honourable Supreme Court remanded the matter to the Tribunal. However, Sales Tax Tribunal did not entertain the appeal of the Company as no assessment was made.

The Assessing Officer, acting on Nil returns filed by the Company, has proposed to complete best judgement re-assessment to tax light energy as goods. This may result in approximate demand of Rs. 54,406,240 (March 31, 2012: Rs. 54,406,240). The Company has filed a detailed reply to the show cause notice issued by the assessing officer and the matter is pending.

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

- c) Pursuant to various amendments under Karnataka Entertainment Tax Act, 1958 to levy entertainment tax on LCO's and MSO's, the Government of Karnataka has issued various notices for re-assessment for various periods. The Company had challenged the notices and validity of amendments before the Hon'ble High Court of Karnataka. During the year, the High Court of Karnataka has rejected the petition of the Company. Accordingly, entertainment tax pertaining to the financial years 2006-07 to 2012-13 amounting to Rs. 60,226,890 (March 31, 2012 : Rs. 50,616,720) has been recognised in the financials statement. Out of the same an amount of Rs. 57,891,676 (March 31, 2012 : Nil) which pertains to previous financials years is shown as an Exceptional Item & balance which pertains to current financial year is shown as an expense in the Statement of Profit & Loss. The Company has deposited Rs. 8,848,390 (March 31, 2012 : Rs. Nil) against this demand and is in the process of filing writ appeal. Contingent liability includes Rs 25,777,152 (March 31, 2012 : Rs. Nil) being interest on the above. Upto the previous year the demand was classified under Contingent Liability.
- d) The Company has filed a petition before the Honourable Court of Andhra Pradesh challenging the vires of the amendment to the Andhra Pradesh Entertainment Tax Act, 1939 which has resulted in the levying of the Entertainment Tax on MSOs of Rs. 34,577,710 (March 31, 2012 : 25,604,095). The petition has been admitted and the levy and the action pursuant thereto have been ordered to be stayed.
- e) The Collector of Aurangabad had initiated proceeding for recovery of an amount of Rs.79,192,049 towards non payment of Entertainment Tax upto the period 30th September, 2011. The Company has preferred an appeal before the Divisional Commissioner who has by his order dated 16th January 2012 partly allowed the appeal by setting aside the order of the Additional Collector. The matter has been remanded to the Additional Collector for a de novo enquiry. After further hearings no notice has been issued by or received by the Company from the Collector.

The matters is pending and based on the outcome of the respective petitions, liability may extend to period beyond notice period. The contingent liability in respect of claims is considered as part of Claims against Company not acknowledged as debts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- f) During the year, the VAT department in Maharashtra has raised the demand for the Assessment year 2008-09 of Rs.9,299,998/- which includes Rs.946,104/- towards MVAT and Rs.8,353,894/- towards CST. The Company has filed appeal against the same and is pending.
- g) One of the subsidiary of the Company namely Hathway Bhaskar Multinet Pvt.Ltd has been served with a Notice of Demand of Demand totalling to Rs.2,649,573 during the year by the O/o The Commissioner, Customs, Excise & Service Tax, Indore on account of denial of Cenvat Credit on Input Services, set off of which was claimed by the company against its liability of service tax in respect of output services during the period October 2007 to March 2010 totalling to Rs.2,649,573/-. The credit for Cenvat has been denied in case of the company on account of certain technical deficiencies in the Input Service documentaion such as improperly signed/stamped documents by the issuer of invoices or invoices carrying different or incomplete address of the Company. the Notice of Demand further proposes levy of penalty of an equivalent amount alongwith interest on above said amounts. The company has contested the levy before the The Commissioner-Central Excise, Customs & Service Tax(Appeals), Indore and has collected the confirmation of all such input service invoices from its various broadcasters & service provider. Pending disposal of appeal, the Company has been advised by its Tax consultant, that it shall get full credit of cenvat based on such confirmatory documents and would get full relief in the matter. Thus no provision considered necessary since the company expects full relief in the matter on disposal of appeal.
- h) During the previous Year one of our subsidiaries namely Hathway Bhaskar Multinet Pvt. Ltd. ("HB MPL") has not provided for the demand of Rs. 29,67,52,000 upto March 31, 2011 raised by the Commercial Tax Department, Jaipur on account of Entertainment Tax on cable connection in view of the Honourable Supreme Court judgement in the case of Purvi Communication v/s West Bengal. As per Management, the HB MPL 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 Rajasthan Entertainment and Advertisement Tax Act, 1957 in the tax purview. Hence, the provision of the said Act is not applicable on the HB MPL. The HB MPL has filed appeal before the Deputy Commissioner (Appeal) against the said demand. In support of the HB MPL's view the honourable Rajasthan Tax Board, Ajmer has allowed the appeal of the HB MPL on the said issue by deleting the demand for Rs. 40,024,000 for the period March 2006 to December 2006 vide., its order dated 29th October 2010. However the Commercial Tax Department has filed an appeal before the Honourable High Court against such order.
- i) Pursuant to the enactment of the Madhya Pradesh Vilasita Manoranjan, Amod Evam Vigyapan Kar Adhiniyam 2011, (2011 Act) the Government of the Madhya Pradesh has levied Entertainment Tax on the Cable Operators w.e.f 01.04.2011. Accordingly HB MPL has received notice from Asstt Commissioner of Commercial Tax, Indore for payment of entertainment tax. The HB MPL 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 HB MPL's petition, which order of dismissal was challenged by the HB MPL before the Hon'ble Supreme Court vide Special Leave Petition (SLP) 10316 of 2012 dt. 9th April, 2012. The said SLP is under consideration before the Hon'ble Supreme Court along with a group of other petitions filed by the DTH and other service providers who have also challenged the levy of entertainment tax on their business on the same grounds as those taken by the HB MPL.

Meanwhile, the Commercial Tax Department of Madhya Pradesh has passed an ex-parte assessment order and has demanded entertainment tax amounting to Rs.32,330,000 for the period ended 27th February 2012 and penalty thereon for Rs.64,660,000, aggregating to Rs.96,990,000. The Company has filed an appeal before the Dy. Commissioner of the Commercial Tax (Appeals), Indore and has deposited Rs.97,00,000, against such demand. The appellate authority has confirmed the demand raised by the Assessing officer. For settlement of dispute of such demand company has filed an application before the Hon'ble Settlement Authority under the MP VAT Act and agreed to pay Rs.17,471,000, the liability as calculated by the company. The application has been accepted by the settlement authority which is pending for adjudication. Simultaneously the company has also filed an application before the Indore Bench of the Hon'ble High Court of Madhya Pradesh for granting the stay to deposit the demand raised by the Commercial Tax Department and as per the direction of the Hon'ble High Court of the Madhya Pradesh the company has deposited balance of undisputed tax liability of Rs.7,771,000 and got the stay order for the balance demand. Accordingly, during the year the company has charged such entertainment tax of Rs.20,499,000 for financial year 2011-12 including Rs.17,471,000 for the period ended February 27, 2012.

As per the view of the Management of the HB MPL, 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 HB MPL, however HB MPL is making such entertainment tax under protest without prejudices to the Companies rights/contentions.

The matters stated against (b),(d),(e),(f),(g),(h) and (i) above, are pending and based on the outcome of the respective petitions, liability may extend to period beyond notice period. The contingent liability in respect of claims is considered as part of Claims against Company not acknowledged as debts.

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j) Income Tax Matters

Particulars	March 31, 2013 (Rs.)	March 31, 2012 (Rs.)
"Income Tax matter under appeal (Of the above an amounts of Rs. 25,186,042/- (March 31, 2012: Rs. 12,547,447) has already been deposited with Income Tax Department)"	92,410,160	92,410,160

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

Matters with	Amount (in Rs.)	
	2012-2013	2011-2012
Broadcasters/Channels (Refer Note No. 4.12 (a)) relating to Pay Channels	32,572,280	96,949,806
Disputes with Operators	62,064,474	66,861,193
Entertainment Tax Department (Refer Note No. 4.12 (c), (d), (e), (h) & (i))	155,800,673	144,406,475
Other Statutory Departments	11,167,880	17,583,470
Disputes related with Copyrights	9,350,500	9,350,000
Total	270,955,807	335,150,944

4.13 SEGMENTAL REPORTING

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

4.14 RELATED PARTY DISCLOSURES

A) Entities under control but not considered for Consolidation:

Others	Hathway Space Vision (Refer Note No. 4.2 (A) (i))
	Hathway Jai Mata Di Sherawali Cable Network Pvt Ltd.(Refer Note No. 4.2 (A) (ii))
	Hathway Jhansi JMDSR Cable & Datacom Pvt Ltd.
	Hathway Channel 5 Cable & Datacom Pvt. Ltd. (Refer Note No. 4.2 (B) (ii))
	Hathway Cable Entertainment Pvt Ltd.

B) Others:

1	Associate Company:	Hathway VCN Cabletnet Pvt. Ltd. Pan Cable Services Pvt. Ltd.
2	Joint Venture	Hathway Sukhamrit Cable & Datacom Pvt Ltd (49%) (Refer Note No. 4.2(A) (v)) Hathway Jai Mata Di Balaji Cable Network (since dissolved) Mantra Cable (since dissolved) Mona Cable Network (since dissolved)
3	Key Managerial Personnel	"Jagdish Kumar G Pillai - Managing Director (w.e.f December 21,2012) K Jayaraman - Managing Director (up to December 21, 2012)"

C) Related Party Transactions:

The transactions with Related Parties and Closing Balance due to / from Parties are as follows:

Type of Transation	Name of the Party	March 31, 2013	March 31, 2012
Income From Operation	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	-	900,000
	Hathway VCN Cabletnet Pvt. Ltd.	-	629,935
Provision against Investment / Advances / Debtors made during the year	Hathway Cable Entertainment Pvt. Ltd.	1,352,993	-
	Hathway Space Vision (Firm)	-	6,560,060

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Type of Transation	Name of the Party	March 31, 2013	March 31, 2012
Provision against Advances / Investment / Debtors made earlier written off during the year	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	20,872,199	-
Other Expenses	Hathway Sukhamrit Cable & Datacom Pvt Ltd	53,400	-
Remuneration and Perquisites	Key Managerial Personnel	21,605,574	14,010,487
Sale of Fixed Assets	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	-	(1,291,493)
Net Advances made/ (recovered) / (written off) During the year	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	1,159,801	-
	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	(12,872,199)	-
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	(19,352,532)	(2,905,856)
Investments	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	-	9,844,974
	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	8,000,000
	Hathway Cable Entertainment Pvt Ltd	470,594	470,594
	Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	2,206,295	2,206,295
	Hathway VCN Cablenet Pvt. Ltd.	1,006,132	1,006,132
Trade Receivable	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	7,450,717
	Hathway Cable Entertainment Pvt. Ltd.	530,400	-
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	11,162,638	21,066,713
Loans & Advances	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	1,096,423	1,096,423
	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	5,421,482
	Hathway VCN Cablenet Pvt. Ltd.	55,140,654	55,140,654
	Hathway Space Vision (Firm)	169,945,473	169,945,473
	Pan Cable Services Pvt. Ltd.	5,877,927	5,877,927
	Hathway Jai Mata Di Balaji Cable Network	1,630,366	1,630,366
	Hathway Cable Entertainment Pvt Ltd	817,423	817,423
	Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	1,109,559	1,109,559
	Key Managerial Personnel	1,440,786	2,767,912

4.15 CAPITAL AND OTHER COMMITMENTS:

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for aggregate to Rs. 3,014,748,666 (March 31, 2012 Rs. 2,026,100,743).

4.16 UNHEDGED FOREIGN CURRENCY EXPOSURE:

Currency	March 31, 2013			March 31, 2012		
	Amount in Foreign Currency	Exchange Rate in Rupees	Amount in Indian Rupees	Amount in Foreign Currency	Exchange Rate in Rupees	Amount in Indian Rupees
Secured Loans						
USD	36,112,573	54.37	1,963,260,057	10,466,598	50.88	532,514,346
JPY	117,993	0.58	68,436	-	-	-
Accounts Payables						
USD	32,620,796	54.37	1,773,498,271	8,528,548	50.88	433,945,816
JPY	1,803,500	0.58	1,040,069	-	-	-
Other Firm Commitments						
USD	36,339,329	54.37	1,975,587,602	23,360,242	50.88	1,188,510,718

Above data pertains to Hathway Cable & Datacom Limited (Holding Company), Hathway MCN Pvt. Ltd. (subsidiary), Hathway Bhaskar Multinet Pvt. Ltd. (wholly owned subsidiary) and GTPL Hathway Pvt. Ltd. (subsidiary). In absence of details from other entities, this disclosure under Accounting Standard 11 is restricted to holding company and three of its subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.17 DEFERRAL/CAPITALIZATION OF EXCHANGE DIFFERENCES

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

In accordance with the amendment/earlier amendment to AS 11, the company has capitalized exchange gain / (loss), arising on long-term foreign currency loan, amounting to Rs. (150,191,250) [March 31, 2012: Rs.(48,930,843)] to the cost of plant and equipment's. The company has also capitalized exchange gain / (loss), arising on long-term foreign forward contract, undertaken to partially hedge the foreign current loan, amounting to Rs. (6,248,353) (Previous Year Rs.4,618,573) to the cost of plant and equipments. The company does not have any other long-term foreign currency monetary item. Hence, the amount of exchange loss deferred in the "Foreign Currency Monetary Item Translation Difference Account" is Rs. NIL (March 31, 2012:Rs. NIL).

4.18 EARNINGS \ (LOSS) PER SHARE

Particulars	2012-13	2011-12
Profit \ (Loss) after tax (but including prior period adjustment, adjustment for change in policy by a subsidiary, profit share of associates and Minority Interest)	156,988,628	(491,811,882)
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Basic EPS	143,173,200	142,857,100
Weighted / Adjusted No. of ordinary shares (No.'s) used as denominator for calculating Diluted EPS	143,248,990	142,857,100
Nominal value of ordinary shares (Rs.)	10	10
Basic EPS before extraordinary items	1.10	(3.44)
Diluted EPS before extraordinary items	1.10	(3.44)
Basic EPS after extraordinary items	1.10	(3.44)
Diluted EPS after extraordinary items	1.10	(3.44)

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

Particulars	Amount (Rs.)			
	March 31, 2013		March 31, 2012	
	Amount Proposed	Amount utilized	Amount Proposed	Amount utilized
Acquisition of Customers	150,000,000	124,869,224	150,000,000	123,339,000
Investment in the development of digital capital expenditure, services and set top boxes	3,250,000,000	3,250,000,000	3,250,000,000	2,118,538,000
Investment in the development of broadband infrastructure, capital expenditure and services				
Repayment of loans	1,900,000,000	1,900,000,000	1,900,000,000	1,894,341,590
General Corporate Purpose	500,000,000	500,000,000	500,000,000	-
Interim use of fund (paying down short term credit limit)	-	25,130,776	-	244,198,000
Total	5,800,000,000	5,800,000,000	5,800,000,000	4,380,416,590
Less: To be funded by Borrowings	1,000,000,000	1,000,000,000	1,000,000,000	318,891,000
Total	4,800,000,000	4,800,000,000	4,800,000,000	4,061,525,590
Balance Unutilized				738,474,410

Unutilized Balance has been invested as stated below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	March 31, 2013	March 31, 2012
Mutual funds	-	66,674,410
Bank Balance	-	550,000,000
Margin Money in Banks	-	121,800,000
Total	-	738,474,410

- 4.20** In respect of erstwhile Managing Director & CEO, the Company had made an application to the Central Government seeking approval for payment of remuneration for a period of three years beginning from August 8, 2010 in excess of limits prescribed under section 198 and 309 read with Schedule XIII to the Companies Act, 1956. The additional information called for by the Central Government have been furnished. While responding to the above application, the Central Government has directed the Company to either recover or apply for waiver of the remuneration paid in excess of remuneration prescribed under the said schedule during the period August 26, 2009 (the date on which the status of the Company change to public limited company) to August 7, 2010. The Company had paid remuneration at minimum scale prescribed under Schedule XIII to the Act during the period February 7, 2010 to August 7, 2010 and hence there is no question of having paid excess remuneration. The remuneration for the period prior to that was finalized when the Company was a private company and accordingly, as legally advised; the Company was not required to apply the Government for the approval. However, as required by the Central Government, the Company has applied for the waiver of remuneration as well as sitting fees for the period August 26, 2009 to February 7, 2010. He continued as MD & CEO till December 21, 2012 and subsequently, was appointed as Vice-Chairman & Director of the Company. His resignation from the post of Vice Chairman and Director has been accepted with effect from February 28, 2013 and May 29, 2013 respectively. Expenses have been recognized based on salary package approved by the shareholders, however, approval of the Central Government is awaited.
- 4.21** With effect from November 01, 2012 vide notification no S.O.1408(E) dated June 21, 2012, DAS was introduced in the four metropolitan cities of the country. Under DAS scenario, the Company as well as other Multi System Operators are in the process of finalizing the fresh terms of revenue sharing arrangement with the Local Cable Operators through whom cable television services are rendered to ultimate subscribers. Pending finalization of legally enforceable contracts / arrangements, the Company has estimated activation fees and subscription and has raised invoices. Such estimation is based on ongoing discussions with LCOs, market trend and also considering the collections made till date. Since such estimation are on conservative basis, the management has reasonable certainty of collecting the amount billed to the LCOs. The management has reviewed the status on constant basis and wherever felt necessary, has issued credit notes to reverse the revenue.
- 4.22** Previous year figures have been rearranged and regrouped wherever necessary.

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants

For and on behalf of the Board

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(JAGDISH KUMAR G PILLAI)
Managing Director & C.E.O

(MILIND KARNIK)
President & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai
Dated : May 29, 2013

Mumbai
Dated : May 29, 2013



Hathway Cable & Datacom Limited

Regd. Office: "Rahejas", 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai - 400 054

Attendance Slip

To be handed over at the entrance of the meeting place.

Name of the Attending Member (In Block Letters): _____

Folio No/ Client ID no.*: _____ No. of Shares held: _____

DP ID No.*: _____

Name of the Proxy (In Block Letters): _____
(To be filled in if the Proxy attends instead of the Member)

I hereby record my presence at the 53rd Annual General Meeting of the Company at **ISKCONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400 049**, at 3.00 p.m. on Wednesday, 24th July 2013.

Member's / Proxy's Signature
(To be signed at the time of handling over this slip)

Note : Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.

*Applicable if the shares are held in dematerialised form.

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Hathway Cable & Datacom Limited

Regd. Office: "Rahejas", 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai - 400 054

Proxy Form

I/We _____ of _____ being a Member/

Members of the above named Company, hereby appoint _____ or failing him

_____ as my/ our Proxy to attend and vote for me/us and on my /our behalf at the 53rd Annual General Meeting of the Company to be held on Wednesday, 24th July, 2013 at 3.00 p.m. and at any adjournment thereof. Unless otherwise instructed, the proxy will act as he thinks fit.

Signed this _____ day of _____ 2013.

Folio No/ Client ID no*.: _____

Signature

DP ID No.*: _____

No. of Shares: _____

affix
Rupee
Revenue
Stamp

Note: Proxy form must reach the Company's Registered Office not less than 48 Hours before the Meeting

* Applicable if the shares are held in dematerialized form.



Hathway Cable & Datacom Limited

www.hathway.com

Toll Free No. 1800-221-119

FORM – A

Format of Covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Hathway Cable & Datacom Ltd.
2.	Annual Financial Statements for the year ended	March 31, 2013
3.	Type of Audit Observation	<p>Independent Auditor's Report (Stand Alone Financial Statements) (Emphasis of the Matter)</p> <p>a) Note no. 4.20 to the accounts in respect of the application of Central Government for approval of managing director's remuneration provided in the books which is in excess of the limits specified under the Schedule XIII to the Act for which application is pending before the Central Government</p> <p>b) Note no. 4.22 to the accounts relating to basis of recognition of income in view of introduction of Digital Addressable System (DAS) by the Central Government in the metropolitan cities. In view of the prevailing circumstances, as explained in the said note, the Company has estimated its income from its networks located in these cities.</p> <p>Independent Auditor's Report (Consolidated Financial Statements) (Emphasis of the Matter)</p> <p>a) Note no. 4.02 A (i), 4.02 A (ii) and 4.02 A (v) to Consolidated Financial Statements regarding exclusion of certain entities by the management from consolidation on account of outstanding disputes, liquidation and also considering the fact that the amount invested and advanced by the Company to these entities have been impaired ;</p> <p>b) Note no. 4.02 (iii) to Consolidated Financial Statements regarding exclusion of certain joint ventures partnership firms of one of the subsidiary of the company from consolidation since the date from which such subsidiary became partner on account of criteria of effective joint control could not be fulfilled.</p> <p>c) Note no. 4.20 to the Consolidated Financial Statement in respect of the application to Central Government for approval of managing director's remuneration provided in the books which is excess of the limits specified under the Schedule XII to the Companies Act, 1956 for which application is pending before the Central Government ; and</p> <p>d) Note No. 4.21 to Consolidated Financial Statements relating to basis of recognition of income in view of introduction of Digital Addressable System (DAS) by the Central Government in the metropolitan cities. In view of the prevailing circumstances, as explained in the said note, the Company has estimated its income from its network located in these cities.</p>
4.	Frequency of Observation	<p>Independent Auditor's Report (Stand Alone Financial Statements) Point number (a) of standalone financial is repetitive from the financial year 2011-12 & point number (b) of standalone financials is appearing first time.</p> <p>Independent Auditor's Report (Consolidated Financial Statements) Point number (a) & (b) of Consolidated Financial Statement are repetitive from the financial year 2009-10 & point number (c) of Consolidated Financial Statement is repetitive from the financial year 2011-12 & point number (d) of Consolidated Financial Statement is appearing first time.</p>

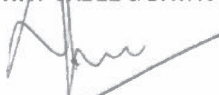
For G. M. KAPADIA & CO.
Chartered Accountants



(ATUL SHAH)
Partner

Mumbai
Dated: July 22, 2013

For HATHWAY CABLE & DATACOM LTD.



(JAGDISH KUMAR G PILLAI)
Managing Director & CEO



(SASHA MIRCHANDANI)
Audit Committee Chairman

Mumbai
Dated: July 22, 2013



(GANAPATHY SUBRAMANIAM)
Chief Financial Officer