



HATHWAY BHAWANI
CABLETEL AND DATACOM LIMITED

31st

Annual Report
2014-2015

hathw@ybhawani

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

BOARD OF DIRECTORS

Mr. Samson Jesudas	(DIN:02539442)	Managing Director & CEO
Mr. Shyam P V	(DIN:07247247)	Director
Mr. Vineet Garg	(DIN:06935347)	Director
Mr. Dilip Worah	(DIN:00047252)	Independent Director
Mr. L. K. Kannan	(DIN:00110428)	Independent Director
Ms. Nandita Swamy	(DIN:03181823)	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Basant Haritwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Dilip Vaidya – FCS NO 7750

AUDITORS

G.M. Kapadia & Co. - Chartered Accountants

REGISTERED OFFICE

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

Tel No: (022) 26001306 Fax No: (022) 26001307.

ADMINISTRATIVE OFFICE

805/806, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai 400098

Tel: (022) 67742500 Fax No: (022) 67742400

BANKERS

Bank of Maharashtra

Axis Bank Limited

REGISTRAR & TRANSFER AGENT

M/s. Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400 072

Tel.: (022) 28470652 Fax: (022) 28525207

• Email: bigshare@bom7.vsnl.net.in

DETAILS OF DEMATERIALISATION OF SHARES

Company's ISIN number for Dematerialisation is **INE525B01016**

CIN:L65910MH1984PLC034514

Email : investors.bhawani@hathway.net



**HATHWAY BHAWANI
CABLETEL AND DATACOM LIMITED**

31st Annual Report : 2014-2015

Contents	Page No.
❖ Notice	1
❖ Directors' Report	11
❖ Corporate Governance	36
❖ Management Discussion and Analysis Report	49
❖ Auditors' Report .	52
❖ Standalone Balance Sheet	56
❖ Standalone Statement of Profit & Loss	57
❖ Standalone Cash Flow Statement	58
❖ Notes to the Financial Statements	59
❖ Auditors' Report on Consolidated Financial Statement	76
❖ Consolidated Balance Sheet	81
❖ Consolidated Statement of Profit & Loss	82
❖ Consolidated Cash Flow Statement	83
❖ Notes to the Consolidated Financial Statements	84

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

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

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

CIN: L65910MH1984PLC034514 • Email: investors.bhawani@hathway.net

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY FIRST ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON FRIDAY, 25TH SEPTEMBER, 2015, AT 3:00 P.M. AT GROUND FLOOR, WINDSOR, OFF CST ROAD, KALINA, SANTACRUZ EAST, MUMBAI 400 098, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2015 including the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Directors' Report and the Report of the Auditors' thereon.
2. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and rules, circulars, notifications made/ issued thereunder, including any amendment, modification, variation or re-enactment thereof, the appointment of M/s. G M Kapadia & Co., Chartered Accountants (Firm Registration No. 104767W) as the Statutory Auditors of the Company, which has been approved at the Annual General Meeting held on September 10, 2014, for a term of 3 years i.e. from the conclusion of the Thirtieth Annual General Meeting until the conclusion of the Thirty Third Annual General Meeting, be and is hereby ratified for a period of one year i.e. from the conclusion of this Annual General Meeting until the conclusion of the Thirty Second Annual General Meeting.

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

SPECIAL BUSINESS:

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

APPOINTMENT OF MS. NANDITA SWAMY AS AN INDEPENDENT DIRECTOR OF THE COMPANY

"RESOLVED THAT Ms. Nandita Swamy (DIN 03181823), who was appointed as an Additional Director with effect from 31st March, 2015, as an Independent Director of the Company, pursuant to provisions of Section 149(1) of the Companies Act, 2013 (the Act), and Clause 49(II)(A) of the Listing Agreement entered into by the Company with the Stock Exchanges and in accordance with the Articles of Association of the Company, to hold office up to the date of the ensuing Annual General Meeting of the Company and for whom, the Company has received a notice under Section 160 of the Act along with a requisite deposit from a shareholder proposing the candidature of Ms. Nandita Swamy, for the office of a

Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office upto 30th March, 2020 and that she shall not be liable to retire by rotation.

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

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

APPOINTMENT OF MR. SHYAM P V AS DIRECTOR OF THE COMPANY AS PER PROVISIONS OF SECTION 161 OF THE COMPANIES ACT, 2013

"RESOLVED THAT Mr. Shyam P V (DIN 07247247), who was appointed as an Additional Director in the capacity as Non- Executive Director with effect from 30th July, 2015, pursuant to provisions of Section 161 of the Companies Act, 2013 (the Act) read with rules thereunder and Clause 49(II)(A) of the Listing Agreement entered into by the Company with the Stock Exchanges and in accordance with the Articles of Association of the Company, to hold office up to the date of the ensuing Annual General Meeting of the Company and for whom, the Company has received a notice under Section 160 of the Act along with a requisite deposit from a shareholder proposing the candidature of Mr. Shyam P V, for the office of a Director of the Company, be and is hereby appointed as an Director of the Company, who shall be liable to retire by rotation."

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

APPOINTMENT OF MR. VINEET GARG AS DIRECTOR OF THE COMPANY AS PER PROVISIONS OF SECTION 161 OF THE COMPANIES ACT, 2013

"RESOLVED THAT Mr. Vineet Garg (DIN 06935347), who was appointed as an Additional Director in the capacity as Non- Executive Director with effect from 30th July, 2015, pursuant to provisions of Section 161 of the Companies Act, 2013 (the Act) read with rules thereunder and Clause 49(II)(A) of the Listing Agreement entered into by the Company with the Stock Exchanges and in accordance with the Articles of Association of the Company, to hold office up to the date of the ensuing Annual General Meeting of the Company and for whom, the Company has received a notice under Section 160 of the Act along with a requisite deposit from a shareholder proposing the candidature of Mr. Vineet Garg, for the office of a Director of the Company, be and is hereby appointed as an Director of the Company, who shall be liable to retire by rotation."

BY ORDER OF THE BOARD

DILIP VAIDYA

Company Secretary & Compliance Officer

FCS No: 7750

Place: Mumbai

Date: August 12, 2015

NOTES:

1. Pursuant to the requirement of Secretarial Standard-2 which has come into effect from 1st July 2015, the route map for the venue of the Annual General Meeting, also indicating therein the prominent land mark for the venue has been annexed to the notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS 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.
3. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the meeting. Proxies submitted on behalf of the companies, must be supported by appropriate resolution / authority, as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. 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 together with the specimen signature of the Authorized representative.
6. Any member proposing to seek any clarification on the accounts, is requested to send the queries to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
7. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
8. The Register of the Members and the Share Transfer Books of the Company will remain closed from **Monday, 14th September, 2015 to Wednesday, 16th September, 2015** (Both days inclusive).
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, for Special Business, setting out all material facts and the statement of particulars of Directors seeking appointment/re-appointment, as required under Clause 49 of the Listing Agreement and Secretarial Standard -2 (effective from July 1, 2015) are annexed hereto. The Directors have furnished the requisite consents / declarations for their appointment / reappointment.
10. Members are requested to bring their copy of Annual Report and attendance slip to the meeting.
11. The Annual Accounts of the Subsidiary Company shall be available at the Registered Office of the Company for inspection by any shareholder.
12. Hard copy of the details of accounts of subsidiary required by any shareholders can be obtained with a written request to the Managing Director of the Company at the Registered

Office of the Company.

13. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
14. 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.
15. 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 rutika@bigshareonline.com quoting the Folio Number and Name of the Company.
16. The Company is providing Facility for Voting by Electronics Means and the business may be transacted through E-Voting.
17. THE FACILITY FOR VOTING THROUGH BALLOT OR POLLING PAPER SHALL BE MADE AVAILABLE AT THE MEETING AND THE MEMBERS ATTENDING THE MEETING WHO HAVE NOT ALREADY CAST THEIR VOTES BY REMOTE EVOTING SHALL BE ABLE TO EXERCISE THEIR RIGHT AT THE MEETING.

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

- (i) The voting period begins on **Tuesday, 22nd September, 2015 at 10.00 am** and ends on **Thursday, 24th September, 2015 at 5.00 pm**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Friday, 18th September, 2015**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged onto www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Hathway Bhawani Cabletel & Datacom Limited> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the

image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of **Friday, 18th September, 2015**.

The members who have casted their votes by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

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

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

The Results shall be declared on or after the conclusion of the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL. The results will also be communicated to the Stock Exchanges on which the Company's equity shares are listed.

BY ORDER OF THE BOARD

DILIP VAIDYA
Company Secretary & Compliance Officer
FCS No: 7750

Place: Mumbai

Date: August 12, 2015

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

Item No. 3

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

The Directors of the Company (as per the recommendation of Nomination and Remuneration Committee) vide circular resolution dated March 31, 2015 appointed Ms. Nandita Swamy as an Independent Director, to hold office upto the date of this Annual General Meeting.

Ms. Nandita Swamy is in Economics from the University of Mumbai, and is also a member of the Institute of Chartered Accountants of India. She has over 20 years of work experience and also acts as Consultant for Companies such as Price Waterhouse Tax, Hong Kong, TTK Healthcare TPA Private Limited, Swiss Re Healthcare Services Private Limited and Nova Medical Centers Private Limited. She is currently occupying the position of Whole time Director and handling Finance and Corporate Affairs for the Vidal Health group, which provides wellness services and third party health administration services to both commercial and government funded insurance policy holders. The Board of Directors is of the opinion that her vast knowledge and varied experience will be of great value to the Company as Independent Director. As per the provisions of Section 149 of the Companies Act, 2013, it is proposed to appoint her for a period of five years upto 30th March, 2020.

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

Ms. Nandita Swamy has given declaration that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, she fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for her appointment as an Independent Director of the Company.

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

The Board recommends the Resolution at Item No. 3 of this Notice for your approval.

Notice received under Section 160 of the Companies Act, 2013 and draft Appointment Letter to be issued to Ms. Nandita Swamy setting out the terms and conditions pertaining to her appointment, shall be available for inspection by members during 11.00 am to 2.00 pm on all working days upto the date of the ensuing Thirty First Annual General Meeting,

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

Item No. 4

The Directors of the Company (as per the recommendation of Nomination and Remuneration Committee) vide circular resolution dated 30th July, 2015 approved the appointment of Mr. Shyam P V as a Additional Director in the capacity of Non-Executive Director, who shall be liable to retire by rotation, to hold office upto the date of this Annual General Meeting.

Mr. Shyam P V is graduated from Indian Institute of Engineering & Management and is currently working as Vice President – Operations with Holding Company Hathway Cable & Datacom Limited and looks after business operations for Mumbai. He is also having wide experience in Media & Broadcasting Industry for 20 years. Prior to his present occupation, he has worked in companies like British Broadcasting Corporation (BBC), DEN Networks, National Geographic Channel (NGC), Channel V, ISKYB (DTH Division of STAR TV), Srishti Video Corp and Asia Television. Mr. Shyam P V has witnessed the evolution of Satellite & Cable business from its very initial stage of the industry. Over the past few years, he has worked in different levels and position and gained immense experience.

The other details of Mr. Shyam P V in terms of Clause 49 of the Listing Agreement, is annexed to this Notice.

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

The Board recommends the Resolution at Item No. 4 of this Notice for your approval.

Notice received under Section 160 of the Companies Act, 2013 and draft Appointment Letter to be issued to Mr. Shyam P V setting out the terms and conditions pertaining to his appointment, shall be available for inspection by members during 11.00 am to 2.00 pm on all working days upto the date of the ensuing Thirty First Annual General Meeting,

Except Mr. Shyam P V and his relatives, none of the persons specified in Section 102 of the Companies Act, 2013, namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel are concerned or interested financially or otherwise in the said resolution.

Item No. 5

The Directors of the Company (as per the recommendation of Nomination and Remuneration Committee) vide circular resolution dated 30th July, 2015 approved the appointment of Mr. Vineet Garg as an Additional Director in the capacity of Non-Executive Director who shall be liable to retire by rotation, to hold office upto the date of this Annual General Meeting.

Mr. Vineet Garg is a member of Institute of Chartered Accountants of India, and has an extensive experience of 20 years in the field of Accounts & Finance. He is currently working as the Deputy Chief Financial Officer of Holding Company, Hathway Cable & Datacom Limited. Prior to his association with the Group, Mr. Garg has worked with organizations such as Escotel, Idea Cellular, BPL Mobile (Loop Mobile), TATA Teleservices & Reliance Communications in the areas of Account & Finance, system automation & revenue assurance. His last assignment was with Reliance Communications as National Head LCM. His areas of specialization and expertise include Process Design and re-engineering amongst others.

The other details of Mr. Vineet Garg in terms of Clause 49 of the Listing Agreement, is annexed to this Notice.

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

The Board recommends the Resolution at Item No. 5 of this Notice for your approval.

Notice received under Section 160 of the Companies Act, 2013 and draft Appointment Letter to be issued to Mr. Vineet Garg setting out the terms and conditions pertaining to his appointment, shall be available for inspection by members during 11.00 am to 2.00 pm on all working days upto the date of the ensuing Thirty First Annual General Meeting,

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

BY ORDER OF THE BOARD

DILIP VAIDYA

Company Secretary & Compliance Officer

FCS NO : 7750

Place: Mumbai

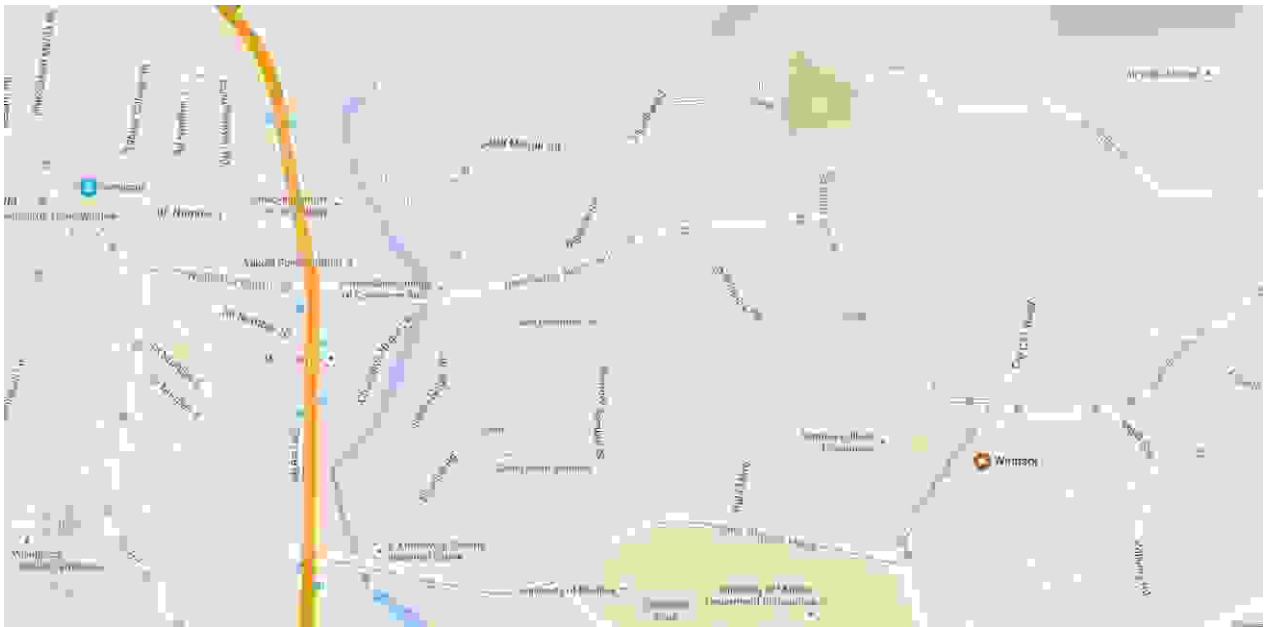
Date: August 12, 2015

** Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 (VIII) (E) of the Listing Agreement and Secretarial Standard-2) are as under:*

Name of Director	Ms. Nandita Swamy	Mr. Shyam P V	Mr. Vineet Garg
Date of Birth	12 th May, 1961	28 th January, 1973	30 th January, 1970
Age	53	42	45
Nationality	Indian	Indian	Indian
Date of first Appointment on the Board	31 st March, 2015	30 th July, 2015	30 th July, 2015
Qualifications	MA in Economics from the University of Mumbai, and is a member of the Institute of Chartered Accountants of India	Graduate from Indian Institute of Engineering & Management.	Is a member of Institute of Chartered Accountants of India.
Expertise in Specific Functional Area	Has over 20 years of work experience in industry and consulting in India and overseas, with companies such as Price Waterhouse Tax, Hong Kong, TTK Healthcare TPA Pvt Ltd, Swiss Re Healthcare Services Pvt Ltd and Nova Medical Centers Pvt Ltd. She is currently a whole time Director handling Finance and Corporate Affairs for the Vidal Health group, which provides wellness services and third party health administration services to both commercial and government funded insurance policy holders.	He is a Media professional with 20 years of experience in Broadcasting Industry. He has worked in companies like British Broadcasting Corporation (BBC), DEN Networks, National Geographic Channel (NGC), Channel V, ISKYB (DTH Division of STAR TV), Srishti Video Corp and Asia Television. He is currently working as Vice President - Operations with Holding Company Hathway Cable & Datacom Limited and looking after business operations for Mumbai.	He has an extensive experience of 20 years in the field of Accounts & Finance. He has worked with organizations such as Escotel, Idea Cellular, BPL Mobile (Loop Mobile), TATA Teleservices & Reliance Communications in the areas of Accounts & Finance, system automation & revenue assurance. His last assignment was with Reliance Communications as National Head LCM. He is currently working as the Deputy Chief Financial Officer of the holding Company, Hathway Cable & Datacom Limited.
Number of shares held in the Company	Nil	Nil	Nil
List of the directorships held in other companies*	Nil	Nil	Nil
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	Nil	Nil	Nil
Terms and conditions of appointment, if any.	N.A	N.A	N.A
Relationship, if any, with other Directors and Key Managerial Personnel	N.A	N.A	N.A
No. of Board Meetings attended during the year	Nil	Nil	Nil
No. of Committee meetings attended during the year	Nil	Nil	Nil

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

ROAD MAP TO VENUE OF ANNUAL GENERAL MEETING



DIRECTORS' REPORT

Dear Members,

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

1. FINANCIAL & OPERATION OVERVIEW:

a. Financial Highlights

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

(Rs in lakhs)

Particulars	Consolidated		Standalone	
	2014-15	2013-14	2014-15	2013-14
Operating & Other Income	1636.11	1638.33	1550.98	1548.22
Earnings before interest, depreciation, amortization & taxes	(212.94)	(261.99)	(219.62)	(253.29)
Interest	21.40	3.09	21.22	3.09
Depreciation & Amortization	108.50	108.96	77.64	78.13
Prior period expenses & Exceptional Items	(25.5)	34.77	(0.67)	34.77
Minority Interest	12.00	19.42	-	-
Provision for Taxation - Current Tax & Deferred Tax	(4.69)	(3.85)	(4.69)	(3.85)
Net Profit/(Loss)	(300.62)	(385.55)	(313.13)	(365.42)

During the year under review, the total income of your Company marginally increased to Rs. 1550.98 lacs as compared to last year's income of Rs. 1548.22 lacs. During the year under review, the Company incurred a net loss of Rs. 313.13 lacs on standalone basis due to steep increase in operating expenses mainly on account of pay channel cost during the year. The company is adhering to its policy of focused growth and as a result of which the total subscription income vis-a-vis the gross operating profit of the company had increased.

b. Operational Highlights:

(i) Cable TV Business:

During the year under review, your Company has seeded 2000 Set Top Boxes (STB) cumulatively totaling to 53500 STB seeded. Your Company will continue to seed boxes in near future as well.

The strategy of your Company is to seed more High Definition (HD) STB's in order to increase the average rate per unit (ARPU). We anticipate that with smarter packaging the company will be able to drive higher ARPU.

Your Company has received a good feedback on HD product proposition. The proposition is priced at Rs. 150/- per month in which the customer can view 25 high quality HD channels.

We believe that value added services and innovative content will give a further fillip to ARPU in the future.

(ii) Broadband Business:

The Broadband reach of your Company is about 53500 homes where it can offer our services. Your Company is a Category - B Internet Service Provider (ISP) and it covers both retail and corporate segments.

As of 31st March, 2015, your Company has over 1400 + broadband subscribers. With a high quality and high capacity HFC Network, your Company is well placed to garner a larger share of the growing broadband market.

Based on continuous customer service improvement, we could also improve customer ARPU by Rs. 400/- on monthly basis.

c. Consolidated Accounts:

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

d. Management Discussion and Analysis

The Management Discussion and Analysis forms an integral part of this Report and gives detail of the overall industry overview, business overview, and performance review and state of affairs of the Company in Cable Television business and Broadband business during the year under review.

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

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

The details of the subsidiary are as follows:

PARTICULARS OF SUBSIDIARY COMPANY					
Sl. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of Shareholding	Applicable section
1	Hathway Bhawani NDS Network Pvt. Ltd. Raheja's, 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai 400054	U74990MH2010PTC208960	Subsidiary	51%	2(87)(ii)

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

f) Dividend:

Considering the loss incurred in the current financial year, your Directors have not recommended any dividend for the financial year under review.

g) Transfer to reserves:

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

h) Revision of financial statement:

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

i) Deposits:

The Company has not accepted any public deposits during the year under review.

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

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

k) Disclosure of Internal Financial Controls:

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

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

There are no loans given, investments made, guarantees given and securities provided during the year under review.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) CHANGE IN BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Ms. Nandita Swamy (DIN: 03181823) was appointed vide circular resolution dated 31st March, 2015 as an Additional Independent Director of the Company to hold office up to the date of ensuing Annual General Meeting. As recommended by the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed vide circular resolution dated 30th July 2015, Mr. Shyam P V (DIN: 07247247) and Mr. Vineet Garg (DIN: 06935347) as Additional Directors to hold office till the ensuing Annual General Meeting whose office is liable to retire by rotation.

The Company has received notices from shareholders along with requisite deposits proposing the candidature of Ms. Nandita Swamy, Mr. Shyam P V and Mr. Vineet Garg for appointment as Director at the ensuing Annual General Meeting.

Mr. Hetal Thakore, Independent Director has resigned as Director of the Company with effect from 6th April, 2015. Mr. Milind Karnik has resigned as Director with effect from 30th July, 2015. The Board places on record its appreciation for the services rendered by them during their tenure on the Board.

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

Company, the Managing Director is not liable to retire by rotation. Accordingly, none of the Directors of the Company are liable to retirement by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013, since the resolutions for the appointment/re-appointment of the existing Directors have been included for voting at the ensuing Annual General Meeting.

Key Managerial Personnel:

The following Key Managerial Personnel (KMP) were duly appointed by the Board of Directors at its meeting held on 12th February 2015.

Sr.No	Name of the KMP	Designation
1.	Mr. Samson Jesudas*	Managing Director & CEO
2.	Mr. Basant Haritwal	Chief Financial Officer
3.	Mr. Dilip Vaidya	Company Secretary

* Mr. Samson Jesudas, Managing Director was re-designated as Managing Director & CEO

b. DECLARATION BY INDEPENDENT DIRECTORS:

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

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS:

The Board of Directors met 5 times during the financial year ended 31st March 2015 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

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

b. AUDIT COMMITTEE:

Sr.No	Date of the Board Meeting
1.	26th May, 2014
2.	11th August, 2014
3.	18th September, 2014
4.	14th November, 2014
5.	12th February, 2015

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee as on the date of this report comprises of:

Sr.No	Name of the Member	Designation
1.	Mr. Dilip Worah	Chairman
2.	Mr. Vineet Garg*	Member
3.	Mr. L K Kannan	Member
4.	Ms. Nandita Swamy	Member

* Reconstituted vide circular resolution passed by the Board on 30th July, 2015

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

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

c. NOMINATION AND REMUNERATION COMMITTEE:

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

The composition of the committee as on the date of this report is as under:

Sr.No	Name of the Member	Designation
1.	Mr. L K Kannan	Chairman
2.	Mr. Vineet Garg	Member
3.	Mr. Dilip Worah	Member

* Reconstituted vide circular resolution passed by the Board on 30th July, 2015

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

d. STAKE HOLDERS RELATIONSHIP COMMITTEE:

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholder's Relationship Committee, comprising of:

Sr.No	Name of the Member	Designation
1.	Mr. Vineet Garg	Chairman
2.	Mr. Samson Jesudas	Member
3.	Mr. Dilip Worah	Member

* Reconstituted vide circular resolution passed by the Board on 30th July, 2015

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

e. MEETING OF INDEPENDENT DIRECTORS:

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Director or management personnel and is conducted informally.

One meeting of Independent Director was held during the year.

f. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

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

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

g. RISK MANAGEMENT POLICY:

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

h. CORPORATE SOCIAL RESPONSIBILITY POLICY:

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

Sr.No	Name of the Member	Designation
1.	Mr. Dilip Worah	Chairman
2.	Mr. Samson Jesudas	Member
3.	Mr. L. K Kannan	Member
4.	Mr. Vineet Garg	Member

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

i. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

In accordance with the Companies Act, 2013, and Clause 49 of the Listing Agreement, the Company has framed a Policy for evaluation of performance of Independent Directors, Board, Committees and other Individual Directors which includes criteria for performance evaluation of non-executive directors and executive directors. A questionnaire was formulated for evaluation of performance of Board after taking into consideration the following aspects:

- Board Composition;
- Strategic Orientation;
- Board functioning and Team Dynamics.

Performance evaluation of Independent Directors was conducted by the Board of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors laid down by the Nomination, Remuneration and Compensation Committee is as below:

- Ethics and values,
- knowledge and proficiency,
- diligence,

- Behavioral traits and
- Efforts for personal development

Similarly, performance evaluation of the Chairman and Non – Independent Directors was carried out by the Independent Directors at the meeting of the Board of Directors held on 11th February 2015.

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

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review has been marked as **Annexure II**.

k. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

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

4. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

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

5. AUDITORS AND REPORTS

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

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

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2015 read with the explanatory notes therein are self-explanatory and

therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

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

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

Secretarial Audit Report issued by M/s Rath and Associates, Company Secretaries for financial year 2014-15 in Form MR-3 has been marked as **Annexure III** and forms part to this report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

c. RATIFICATION OF APPOINTMENT OF AUDITORS:

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

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

d. RELATED PARTY TRANSACTIONS:

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

6. OTHER DISCLOSURES

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

a. EXTRACT OF ANNUAL RETURN:

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

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

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

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

All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	Not Applicable
Details of fixed component and performance linked incentives along with the performance criteria	Not Applicable
Service contracts, notice period, severance fees	Not Applicable
Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Not Applicable

7. GENERAL:

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Payment of remuneration or commission from any of its Holding or subsidiary Companies to the Managing Director or the Whole-time Directors of the Company.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

8. ACKNOWLEDGEMENTS AND APPRECIATION:

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

FOR AND ON BEHALF OF THE BOARD

SAMSON JESUDAS
Managing Director & CEO
(DIN: 02539442)

VINEET GARG
Director
(DIN:06935347)

Date: 12/08/2015
Place: Mumbai

Registered Office

Rahejas, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai 400054
CIN: L65910MH1984PLC034514
Tel No. 022-2600 1306 • Fax No. 022-2600 1307
Mail: investors.bhawani@hathway.net

ANNEXURE I

AOC - 1 - Part A

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES, PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 AND 8 OF COMPANIES (ACCOUNTS) RULES, 2014													
(Rs. In lakhs unless Otherwise Stated)													
Reporting period: 01/04/2014 to 31/03/2015 & Reporting Currency in INR													
Sr. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Hathway Bhawani NDS Network Private Limited		155.00	(136.52)	76.67	58.19	-	105.62	(24.50)	-	(24.50)	Nil	51.00%

AOC - 1 - Part B Statement Pursuant To section 129(3) of the Companies Act, 2013 Relating to Associate Companies and Joint Ventures

Sr. No	Name of Associates/Joint Ventures	
1	Latest Audited Balance Sheet	
2	Shares of Associate/Joint Ventures held by the Company on the year end No.	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	
3	Description of how there is significant influence	
4	Reason why the Associate/Joint Venture is not Consolidated	
5	Networth attributable to Shareholding as per latest audited Balance sheet	
6	Profit/Loss for the year	
	(i) Considered in Consolidation	
	(ii) Not Considered in Consolidation	

ANNEXURE II

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

Median Remuneration: Rs. 3,38,880/- per annum

Director : Remuneration paid to Managing Director & CEO: Rs. Nil/- per annum

The percentage decrease in the median remuneration of employees in the financial year : 27 %

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

Sr. No.	Name of the Director/KMP & their Designation	Remuneration of Managing Director for financial year 2014-15 (Amount in Rs.)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the Directors/KMP against the performance of the Company
1.	*Mr. Samson Jesudas Managing Director & CEO	Nil	Nil	Nil	Nil
2.	*Mr. Basant Haritwal, Chief Financial Officer	Nil	Nil	Nil	Nil
3.	*Mr. Dilip Vaidya, Company Secretary	Nil	Nil	Nil	Nil

* Note 1: The Managing Director/KMP's are paid remuneration from the holding Company

There were 57 permanent employees on the rolls of the Company.

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

	As on 31st March, 2015 (Current F.Y.)					As on 31st March, 2014 (Previous F.Y.)				
Market Capitalisation	Rs.6.72 Crores					Rs. 7.14 crores				
Price Earnings Ratio	Not Applicable					Not Applicable				
Percentage increase over decrease in the market quotations of the shares of the Company as compared with last public offer rate	As on 31st March, 2015 (Current F.Y.)					As on 31st March, 2014 (Previous F.Y.)				
	As on	Market Value (RS.)	Face Value	% increase	Year on Year % increase	As on	Market Value (RS.)	Face Value	% increase	Year on Year % increase
	31.03. 2015	8.30	10	-0.17	-6.95	31.03. 2014	8.92	10	-0.10	-31.06
Rate at which the Company came out with the last public offer	Rs. 10/- (at par)					Rs. 10/- (at par)				

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

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

Percentile increase in the managerial remuneration: **Nil**

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

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

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

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

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

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

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

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

For and on behalf of the Board

SAMSON JESUDAS
Managing Director & CEO
DIN: 02539442

VINEET GARG
Director
DIN: 06935347

Date: 12th August, 2015
Place: Mumbai

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

CIN: L65910MH1984PLC034514
Tel No. 022-26001306 Fax No. 022-26001307
Mail: investors.bhawani@hathway.net ;

Form No. MR-3
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To,
The Members,
HATHWAY BHAWANI CABLETEL & DATACOM LIMITED
Mumbai

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Hathway Bhawani Cabletel & Datacom Limited** for the financial year ended on 31st March, 2015 as given in the **Annexure**, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit period);**

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period);**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit period);**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit period);**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period);**
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head / groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure II**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Had not been notified during the audit period, hence not applicable to the Company);** and
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the financial year under report, the Company has, in our opinion, complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except ***provisions of the Act related to documents to be placed on the website of the company:***

We further report that:

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

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

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

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

We further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For RATHI & ASSOCIATES
COMPANY SECRETARIES**

**HIMANSHU S. KAMDAR
PARTNER
FCS No. 5171
C.P. No.3030**

**Place: Mumbai
Date: 12th August, 2015**

ANNEXURE I

List of documents verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March 2014;
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and CSR Committee along with Attendance Register held during the financial year under report;
4. Minutes of General Body Meetings held during the financial year under report;
5. Statutory Registers viz.
 - Register of Directors & Key Managerial Personnel and their Shareholding
 - Register of Contracts with Related Party and Contracts and Bodies etc. in which Directors' are interested
 - Register of loans, guarantees and security and acquisition made by the Company
 - Register of Charges
 - Register of Renewed and Duplicate Share Certificate
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 299 of the Companies Act, 1956 and 184 of the Companies Act, 2013 and other declarations/intimations received under the Act and the Listing Agreement;
7. Intimations received from Directors and Designated Employees under the Internal Code for Prevention of Insider Trading;
8. E-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
9. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

ANNEXURE - II

List of applicable laws to the Company

1. Income Tax Act, 1961
2. Employee Provident Funds and Miscellaneous Provisions Act, 1952
3. Employee State Insurance Act, 1948
4. Contract Labour (Regulation and Abolition Act), 1970
5. Value Added Tax Act (State-wise)
6. Finance Act, 1994
7. Entertainment Tax Act (State-wise)
8. Minimum Wages Act, 1948
9. Telecom Regulatory Authority of India Act, 1997

10. Cable Television Networks (Regulation) Act, 1995, Cable Television Network (Regulation) Rules, 1994 and Content Certification Rules, 2008
11. Information Technology Act, 2000
12. Indecent Representation of Women (Prohibition) Act, 1986
13. Labour Laws Act, 1988
14. The Payment of Gratuity Act, 1972
15. Indian Telegraph Act, 1885 and The Indian Wireless Telegraph Rules, 1973
16. Workman Compensation Act, 1923
17. Bombay Stamp Act, 2014
18. Central Sales Tax Act, 1956
19. The Cinematography Act, 1952
20. Child Labour (Prohibition and Regulation) Act, 1986
21. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
22. Equal Remuneration Act, 1976
23. Industrial Disputes Act, 1947
24. Industrial Employment (Standing Orders) Act, 1946
25. Maternity Benefit Act, 1961
26. Payment of Bonus Act, 1965
27. Payment of Wages Act, 1936
28. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
29. Arms Act, 1959
30. Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 (COTPA)
31. Motor Vehicles Act, 1988
32. Tax on Professions, Trades, Callings and Employments Act, 1979 (State-wise)
33. Tax on Entry of Goods into Local Areas Act, 2000 (State-wise)
34. Labour Welfare Fund Act, 1974
35. Industrial Establishments (National and Festival Holidays) Act, 1963
36. Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act, 1981
37. Maharashtra Workmen's House-Rent Allowance Act, 1983
38. Employee's Compensation Act, 1923

ANNEXURE IV

MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2015

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

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L65910MH1984PLC034514
Registration Date	:	12 th November, 1984
Name of the Company	:	Hathway Bhawani Cabletel and Datacom Limited
Category / Sub-Category of the Company	:	Public Limited Company
Address of the Registered office and contact details	:	Rahejas, 4 th Floor, Main Avenue & V. P. Road, Santacruz West, Mumbai 400054
Whether listed company	:	Yes / No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Bigshare Services Private Limited E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri(E), Mumbai - 400 072Tel : 28470652 Fax : 28475207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Cable TV Service	Division 61- 61103 and 61104 (NIC Code of 2008).	99%
2	Broadband Service		1%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

PARTICULARS OF SUBSIDIARY COMPANY					
Sl. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of Shareholding	Applicable section
1	Hathway Bhawani NDS Network Pvt. Ltd. Raheja's, 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai 400054	U74990MH2010PTC208960	Subsidiary	51%	2(87)(ii)
2	Hathway Cable & Datacom Ltd. Raheja's, 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai 400054	L64204MH1959PLC011421	Holding	51%	2(46)

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

i. Category-wise Share Holding:

Statement Showing Shareholding Pattern										
C. Code	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2014 00:0				No. of Shares held at the end of the year :31/03/2015				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(IX)	
(a)	Individual / HUF									
		929621	77735	1007356	12.59	930722	77735	1008457	12.45	-0.14
(b)	Central / State Government(S)									
		0	0	0	0.00	0	0	0	0.00	0
(c)	Bodies Corporate									
		0	0	0	0.00	0	0	0	0.00	0
(d)	Financial Institutions/Banks									
		0	0	0	0.00	0	0	0	0.00	0
(e)	Any Others (Specify)									
(i)	Directors Relatives	0	0	0	0.00	0	0	0	0.00	0
(ii)	Group Companies	4080000	0	4080000	51.00	4180000	0	4180000	51.60	0.6
(iii)	Trusts	0	0	0	0.00	0	0	0	0.00	0
	Sub Total (A)(1) :	5009621	77735	5087356	63.59	5110722	77735	5188457	64.06	0.46
(a)	INDIVIDUAL									
		0	0	0	0.00	0	0	0	0.00	0
(b)	BODIES CORPORATE									
		0	0	0	0.00	0	0	0	0.00	0
(c)	INSTITUTIONS									
		0	0	0	0.00	0	0	0	0.00	0
(d)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0.00	0	0	0	0.00	0
(e)	ANY OTHERS (Specify)									
		0	0	0	0.00	0	0	0	0.00	0
	SUB TOTAL (A)(2) :	0	0	0	0.00	0	0	0	0.00	0
	Total holding for promoters									
	(A)=(A)(1) + (A)(2)	5009621	77735	5087356	63.59	5110722	77735	5188457	64.06	0.47
	Total (A) + (B) :	5009621	77735	5087356	63.59	5110722	77735	5188457	64.06	0.47
(a)	MUTUAL FUNDS / UTI									
		0	0	0	0.00	0	0	0	0.00	0
(b)	FINANCIAL INSTITUTIONS / BANKS									
		0	0	0	0.00	0	0	0	0.00	0

(c)	CENTRAL / STATE GOVERNMENT(S)									
		0	0	0	0.00	0	0	0	0.00	0
(d)	VENTURE CAPITAL FUNDS									
		0	0	0	0.00	0	0	0	0.00	0
(e)	INSURANCE COMPANIES									
		0	0	0	0.00	0	0	0	0.00	0
(f)	FII'S									
		0	0	0	0.00	0	0	0	0.00	0
(g)	FOREIGN VENTURE CAPITAL INVESTORS									
		0	0	0	0.00	0	0	0	0.00	0
(h)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0.00	0	0	0	0.00	0
(i)	ANY OTHERS (Specify)									
		0	0	0	0.00	0	0	0	0.00	0
	SUB TOTAL (B)(1) :	0	0	0	0.00	0	0	0	0.00	0
(a)	BODIES CORPORATE									
		229107	15100	244207	3.05	236386	15100	251486	3.10	0.05
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO Rs. 1 Lakh)	1380750	22936	1403686	17.55	1353320	19836	1373156	16.95	-0.59
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)	1173556	20000	1193556	14.92	1193020	20000	1213020	14.98	-0.06
(c)	QUALIFIED FOREIGN INVESTOR									
		0	0	0	0.00	0	0	0	0.00	0
(d)	ANY OTHERS (Specify)									
(i)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0
(ii)	CLEARING MEMBER	1000	0	1000	0.01	3086	0	3086	0.04	-0.03
(iii)	DIRECTORS RELATIVES	66985	0	66985	0.84	66985	0	66985	0.83	0.01
(iv)	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0
(v)	NON RESIDENT INDIANS (NRI)	3210	0	3210	0.04	3810	0	3810	0.05	-0.01
(vi)	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0
(vii)	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0
	SUB TOTAL	2854608	58036	2912644	36.41	2856607	54936	2911543	35.94	0.47

	(B)(2) :									
	Total Public Shareholding									
	(B)=(B)(1) + (B)(2)	2854608	58036	2912644	36.41	2856607	54936	2911543	35.94	0.47
	Total (A) + (B) :	7864229	135771	8000000	100.00	7967329	132671	8100000	100.00	0
(a)	SHARES HELD BY CUSTODIANS									
		0	0	0	0.00	0	0	0	0.00	0
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0
	SUB TOTAL (C)(1) :	0	0	0	0.00	0	0	0	0.00	0
	(C)=(C)(1)		0		0.00	0	0	0	0.00	0
	Total (A) + (B) :	7864229	135771	8000000	100.00	7967329	132671	8100000	100.00	0
	Grand Total (A) + (B) + (C)	7864229	135771	8000000	100.00	7967329	132671	8100000	100.00	0
NOTES :										
1) NAME,NUMBER OF SHARES HELD & PERCENTAGE OF ENTITIES / PERSONS HOLDING MORE THAN 1% OF THE TOTAL SHARES OF THE COMPANY IS AS PER ANNEXURE										

ii. SHAREHOLDING OF PROMOTERS:

Sr.No	NAME	Shareholding at the beginning of the year 01/04/2014			Shareholding at the end of the year 31/03/2015			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	MR KAPIL PURI	800	0.0100	0.0000	800	0.0099	0.0000	-0.0001
2	KETAN CHOKSHI	1000	0.0125	0.0000	1000	0.0123	0.0000	-0.0002
3	KAVITA PURI	2600	0.0325	0.0000	2600	0.0321	0.0000	-0.0004
4	MALKA SANJIV CHAINANI	5000	0.0625	0.0000	5000	0.0617	0.0000	-0.0008
5	KAPIL PURI	28335	0.3542	0.0000	28335	0.3498	0.0000	-0.0044
6	MRS KAVITA PURI	40000	0.5000	0.0000	40000	0.4938	0.0000	-0.0062
7	KULBUSHAN PURI	112000	1.4000	0.0000	112000	1.3827	0.0000	-0.0173
8	KULBUSHAN SURAJ PURI	313282	3.9160	0.0000	314383	3.8813	0.0000	-0.0347
9	KULDEEP PURI	504339	6.3042	0.0000	504339	6.2264	0.0000	-0.0778
10	HATHWAY CABLE AND DATACOM LIMITED	1920000	24.0000	0.0000	2020000	24.9383	0.0000	0.9383
11	HATHWAY MEDIA VISION PRIVATE LIMITED	2160000	27.0000	0.0000	2160000	26.6667	0.0000	-0.3333
		5087356	63.5919	0.0000	5188457	64.0550	0.0000	0.4631

iii. CHANGE IN PROMOTERS' SHAREHOLDING:

	Share holding at the beginning of the year 01/04/2014		Share holding at the end of the year 31/03/2015	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
At the beginning of the year	5087356		5087356	
Increase 02/05/2014	500	0.01	5087856	62.81
Increase 09/05/2014	601	0.01	5088457	62.82
Increase 19/09/2014	100000	1.23	5188457	64.06
Decrease 03/10/2014	100000	1.23	5088457	62.82
Increase 21/11/2014	100000	1.23	5188457	64.06
At the end of the year			5188457	

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

Sr. No	NAME	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
1	MILIND D. KARNIK	66,985	1-Apr-14	0	-	66,985	0.83
		66,985	31-Mar-15	0	-	66,985	0.83
2	RAKESH JAGDISH BAHAL	79,092	1-Apr-14	0	-	79,092	0.98
		79,092	31-Mar-15	0	-	79,092	0.98
3	YOGESH LAXMIDAS BHATIA	59,971	1-Apr-14	0	-	59,971	0.74
		59,971	31-Mar-15	0	-	59,971	0.74
4	MALA BHATIA	58,021	1-Apr-14	0	-	58,021	0.72
		58,021	31-Mar-15	0	-	58,021	0.72
5	VIPUL PRIYAKANT DALAL	50,000	1-Apr-14	0	-	50,000	0.62
		50,000	31-Mar-15	0	-	50,000	0.62
6	MINAL B. PATEL	135,004	1-Apr-14	0	-	135,004	1.67
		135,004	31-Mar-15	0	-	135,004	1.67
7	VIPUL JAYRAJ	55,312	1-Apr-14	0	-	55,312	0.68
		55,312	31-Mar-15	0	-	55,312	0.68
8	RELIGARE FINVEST LTD	82,950	1-Apr-14	0	-	82,950	1.02
		82,950	31-Mar-15	0	-	82,950	1.02
9	ASHOK MITTAL	88,288	1-Apr-14	0	-	88,288	1.09
		88,288	31-Mar-15	0	-	88,288	1.09
10	BHARAT BHUSHAN KAPUR	100,000	1-Apr-14	0	-	100,000	1.23
		100,000	31-Mar-15	0	-	100,000	1.23

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

v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No	Name	Shareholding		Date	Increase/Decrease	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14) / end of the year (31-03-15)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Mr. Samson Jesudas	Nil	-	-	-	-	-	-
2	Mr. Dilip Worah	Nil	-	-	-	-	-	-
3	Mr. L .K. Kannan	Nil	-	-	-	-	-	-
4	Ms. Nandita Swamy	Nil	-	-	-	-	-	-
5	Mr. Vineet Garg	Nil	-	-	-	-	-	-
6	Mr. Shyam P V	Nil	-	-	-	-	-	-

II INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.
(Amount in Rs.)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	6,12,907	1,42,65,448	0	1,48,78,355
i) Principal Amount	6,12,907	1,42,65,448	0	1,48,78,355
ii) Interest due but not paid	0	19,25,822	0	19,25,822
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	6,12,907	1,61,91,270	0	1,68,04,177
Change in Indebtedness during the financial year				
· Addition	0	0	0	0
· Reduction	2,53,592	0	0	2,53,592
Net Change	2,53,592	0	0	2,53,592
Indebtedness at the end of the financial year				
i) Principal Amount	3,59,315	1,42,65,448	0	1,46,24,763
ii) Interest due but not paid	0	19,25,822	0	19,25,822
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	3,59,315	1,61,91,270	0	1,65,50,585

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Samson Jesudas	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	- as % of profit	Nil	Nil
	- others, specify	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act		

B. REMUNERATION TO OTHER DIRECTORS: None of the other Directors are receiving remuneration except sitting fees.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	Company* Secretary	CFO*	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil	Nil
5	Others, please Specify: Exempt from tax (Incl. PF)	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil

* The KMPs are paid salary from the holding Company

PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board

SAMSON JESUDAS
Managing Director & CEO
DIN: 02539442

VINEET GARG
Director
DIN: 06935347

Date: 12/08/2015

Place: Mumbai

Registered Office

Rahejas, 4th Floor, Corner of Main Avenue
& V. P. Road, Santacruz West, Mumbai - 400 054.
CIN: L65910MH1984PLC034514
Tel No. 022-26001306 Fax No. 022-26001307
Mail: investors.bhawani@hathway.net ;

ANNEXURE VI

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

(A) Conservation of energy:

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

(B) Technology absorption:

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

(C) Foreign exchange earnings and Outgo:

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

For and on behalf of the Board

SAMSON JESUDAS
Managing Director & CEO
DIN : 02539442

VINEET GARG
Director
DIN : 06935347

Date : 12/08/2015

Place : Mumbai

Registered Office

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

CIN : L65910MH1984PLC034514

Tel No. 022 26001306 Fax No. 022 26001307

Mail : investors.bhawani@hathway.net

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance is to create and adhere to a corporate culture of conscience and consciousness, integrity, transparency and accountability for efficient and ethical conduct of business for meeting its obligations towards shareholders and other stakeholders.

The Company envisages attainment of higher levels of transparency, accountability and ethical conduct in all facets of its operations and interactions with its stakeholders including shareholders, employees, customers, suppliers, government, lenders and the community at large.

It aims to increase and sustain its corporate value through growth and innovation. The Company believes that its operations and actions must serve the underlying goal of enhancing the interests of its stakeholders over a sustained period of time, in a socially responsible way.

Corporate Governance is a synonym for sound management, transparency and disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a Company to take sound decisions, thus maximizing long-term shareholders' value. Corporate Governance is beyond the realm of law.

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 Bhawani Cabletel & Datacom Limited is asunder:

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 are having indepth 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. The Board comprises of One Executive Director and Four Non-Executive Directors including one women Director out of which three directors are Independent Directors. The composition of the Board and other relevant details relating to Directors are given below:

Name of the Director (s)	Relationship with other Directors	Designation	Category of Directorship	No of Other Directorships ¹	No of Other Committee Memberships ²	
					Chairman	Member
Mr. Kuldeep Puri ³	None	Director	Non-Executive & Non Independent	-	Nil	Nil
Mr. Milind Karnik	None	Director	Non-Executive & Non Independent	Nil	Nil	Nil
Mr. Dilip Worah	None	Director	Non-Executive & Independent	Nil	Nil	Nil
Mr. L. K. Kannan	None	Director	Non-Executive & Independent	Nil	Nil	Nil
Mr. Hetal Thakore ⁴	None	Director	Non-Executive & Independent	1	Nil	Nil
Mr. Samson Jesudas	None	Managing Director & CEO	Executive & Non Independent	Nil	Nil	Nil
Ms. Nandita Swamy ⁵	None	Director	Non-Executive & Independent	Nil	Nil	Nil

- ¹ Directorships in Private and Foreign Companies, if any, are excluded.
- ² Memberships of only Audit Committee and Stakeholders' Relationship Committee have been considered.
- ³ Ceased to be a Director with effect from September 10, 2014.
- ⁴ Ceased to be a Director with effect from April 6, 2015.
- ⁵ Appointed as the Additional Director with effect from March 31, 2015.

b) Re-appointment of Directors:

None of the Directors shall retire by rotation pursuant to the provisions of Sections 152 of the Companies Act, 2013, at the forthcoming Annual General Meeting as Mr. Milind Karnik who would have been otherwise liable to retire by rotation at this Annual General Meeting has tendered his resignation. The Company has appointed Mr. Shyam P V and Mr. Vineet Garg, (who are liable to retire by rotation) on 30th July, 2015 to hold office upto the date of this Annual General Meeting.

As per the provisions of Section 149(4) of the Companies Act, 2013 it would be necessary to have at-least one third of the total number of directors as Independent Directors. The provisions of sub section (10) of the said Section further stipulates that an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and shall not be liable to retire by rotation. The Company has received the notice along with requisite deposit, from members of the Company pursuant to Section 160 of the Companies Act, 2013, proposing the candidature of Ms. Nandita Swamy for the office of Directors, to be designated as Independent Director of the Company.

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

c) Board Meetings and Annual General Meeting:

During the financial year 2014-2015, 5 (Five) Board Meetings were held on May 26, 2014, August 11, 2014, September 18, 2014, November 14, 2014, and February 12, 2015. The last Annual General Meeting of the Company was held on 10th September, 2014. The details of attendance of Directors in Board Meetings and the last Annual General Meeting are as follows:

Name of the Director(s)	No. of Board Meetings Attended	Attendance at Last Annual General Meeting
Mr. Kuldeep Puri *	2	Yes
Mr. Milind Karnik	5	Yes
Mr. Dilip Worah	5	Yes
Mr. L. K. Kannan	5	Yes
Mr. Hetal Thakore	4	Yes
Mr. Samson Jesudas	4	Yes
Ms. Nandita Swamy **	0	0

* Ceased to be a Director w.e.f. September 10, 2014.

** Appointed as a Director w.e.f. March 31, 2015.

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 on 31st March, 2015. As required by Clause 49 of the Listing Agreement, the declaration on compliance of the Company's code of conduct signed by Managing Director forms a part of this Annual Report.

3. Audit Committee

a) Constitution of Audit Committee:

The Committee comprises of three Non-executive Directors, majority of whom are Independent Directors. All members of the Committee are financially literate. The Chairman of the Committee is a member of the Institute of Chartered Accountants of India.

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

During the financial year 2014-2015, 4 (Four) Audit Committee Meetings were held on May 26, 2014, August 11, 2014, November 14, 2014, and February 12, 2015. The composition of the Audit Committee and the number of meetings attended by the members of the audit committee are as under:

Committee Members Attending the Meeting	Designation	No. of Meetings Attended
Mr. Dilip Worah	Chairman	4
Mr. Milind Karnik	Member	4
Mr. L. K. Kannan	Member	4

c) Attendees:

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

b) The Terms of Reference of the Audit Committee:

The terms of reference of the Audit Committee as defined by the Board are as under:

- 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.
- 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.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor.

- iv) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- v) 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 Section 134 of the Companies Act, 2013.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by 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.
- vi) Reviewing with the management, the quarterly financial statements before submission to the board for approval.
- vii) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- viii) 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.
- ix) Discussion with internal auditors on any significant findings and follow up there on.
- x) 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.
- xi) Discussion with Statutory Auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xii) 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.
- xiii) Review of information as prescribed under Clause 49 (II) (E) of the listing agreement.

4. Nomination and Remuneration Committee:

- a) Constitution of Nomination and Remuneration Committee:

The Remuneration Committee was re-named as Nomination and Remuneration Committee vide resolution passed by the Board of Directors of the Company on 26th May, 2014 in compliance with the provisions of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of three (3) members. All the

members are Non-Executive Directors of which all the directors are Independent Directors. The Chairman of the Committee is an Independent Director.

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

The details of the Committee members are as under:

Committee Members	Designation
Mr. Dilip Worah	Chairman
Mr. L. K. Kannan	Member
Mr. Hetal Thakore	Member

Only 1 (one) meeting of the Nomination and Remuneration Committee was held on February 12, 2015 during the financial Year 2014-2015.

- 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 also administers the Company's Stock Option plans, if any, including the review and grant of the stock options to eligible employees under plans. The Committee reviews the performance of the Executive Directors, if any, and for the said purpose, lays 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, 2013. The details of the sitting fees paid to the Non-Executive Directors during the year 2014-15 are as under :

Name of the Director	Sitting Fees Paid (Amt. in Rs.)
Mr. Dilip Worah	60,000
Mr. L. K. Kannan	60,000
Mr. Milind Karnik	60,000
Mr. Kuldeep Puri*	5,000
Mr. Hetal Thakore	30,000
Ms. Nandita Swamy**	Nil
Total	2,15,000

* Ceases to be a Director w.e.f 10th September, 2014

** Appointed as Director w.e.f 31st March, 2015

Shareholding of the Non-executive Directors as on 31st March 2015:

Sr. No.	Name of the Director	No. of Shares held
1	Mr. Milind Karnik	66,985
2	Mr. Dilip Worah	Nil
3	Mr. L. K. Kannan	Nil
4	Mr. Hetal Thakore	Nil
5	Mr. Samson Jesudas	Nil
6	Ms. Nandita Swamy	Nil

iii) Executive Directors:

Mr. Kuldeep Puri ceased to be the Managing Director of the Company with effect from May 31, 2014. Mr. Samson Jesudas, Managing Director & CEO is the only Executive Director of the Company. Mr. Samson Jesudas do not receive any remuneration from the Company.

Details of remuneration paid to the Executive Director during Financial Year 2014-2015 is as under:

Name of the Executive Director	Designation	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Kuldeep Puri	Managing Director	4,80,000/-	-	4,80,000
Mr. Samson Jesudas	Managing Director	Nil	Nil	Nil

1. Stakeholders' Relationship Committee:

a) Constitution and Composition of Stakeholders' Relationship Committee:

The Shareholders' Grievance Committee was renamed as Stakeholders' Relationship Committee vide resolution passed by the Board of Directors of the Company on 26th May, 2014 in compliance with the provisions of the Companies Act, 2013.

The Stakeholders' Relationship Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of declared dividends, etc. and to take necessary steps for redressal thereof. The Committee is a Board level committee under the Chairmanship of Mr. Milind Karnik, a Non-Executive Director. No meeting of Stakeholders' Relationship Committee was held during the Financial Year 2014-2015.

The composition of the Stakeholders' Relationship Committee as on 31st March 2015 is as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Milind Karnik	Chairman	N.A
Mr. Samson Jesudas	Member	N.A

b) Mr. Dilip Vaidya, Company Secretary, is the Compliance officer of the Company.

c) During the year 2014-2015, the Company has not received any investor complaints. There were no complaints pending as at end of the year.

Received from	Received during 2014-15	Redressed during 2014-15	Pending as on 31.03.2015
SEBI	0	0	0
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 complete in all respects. The Stakeholders' Relationship Committee of the Company meets as often as required. There were no physical transfers during the year under review.

6. General Body Meetings:

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

Financial Year	Date	Venue	Time
2011-2012	28.09.2012	Sanjona Complex, 3rd Floor, Hemu Kalani Marg, Plot 11-A, Sindhi Society, Chembur, Mumbai - 400071	4:00 p.m.
2012-2013	26.09.2013	Sanjona Complex, 3rd Floor, Hemu Kalani Marg, Plot 11-A, Sindhi Society, Chembur, Mumbai - 400071	4.00p.m.
2013-2014	10.09.2014	Ground Floor, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai 400098	3.00 p.m.

ii) Particulars of Special Resolutions passed in the previous three Annual General Meetings.

Financial Year	Particulars of Special Resolution passed
2011-2012	Amendment in Articles of Association of the Company
2012-2013	Nil
2013-2014	1. Amendment in Articles of Association of the Company 2. Preferential Allotment of Equity Shares

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

iii) Postal Ballot:

The Board of Directors vide Circular resolution dated March 13, 2014 approved the appointment of Mr. Samson Jesudas as Joint Managing Director of the Company. Accordingly, the Company through Postal Ballot have received the approval from the Shareholders by special resolution. The results of the said Postal Ballot have been declared by the Company on 25th April 2014.

7. Means of Communication:

(i) The quarterly results of the Company are generally published in Aapla Mahanagar (*Marathi Newspaper*) and Financial Express (*English Newspaper*). The Company proposes that all quarterly, half-yearly and full year financial results be published at least in

2 newspapers. The quarterly results are further submitted to BSE Limited immediately after the conclusion of the respective meetings.

(ii) No presentations were made to institutional investors or to the analysts during the year under review.

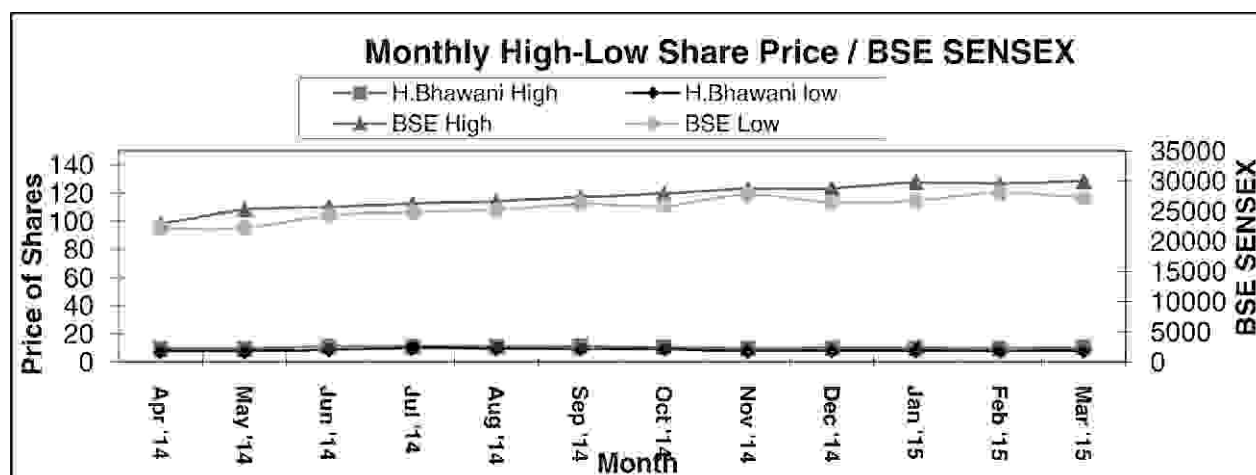
(iii) The Management Discussion and Analysis Report forms part of this Annual Report.

8. General Shareholder Information:

a.	Date, time and venue of Annual General Meeting of Shareholders	September 25, 2015 at 3:00 p.m. at Ground Floor, Windsor, Off CST Road, Kalina, Santacruz(East), Mumbai 400098.
b.	Dates of book closures	Monday, 14th September, 2015 to Wednesday, 16th September, 2015
c.	Dividend Payment	The Board of Directors of the Company has not recommended any dividend for the financial year ended 31st March, 2015.
d.	Financial Calendar	The Company follows April-March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter as per the listing agreement.
e.	Listing on stock exchanges	BSE Limited
f.	Listing fees	Paid to BSE Limited for the Financial Year 2015-2016.
g.	Registered office	"Rahejas", 4th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai- 400 054. Tel: (022) 26001306 • Fax: (022) 26001307
h.	Registrar and Share Transfer agents	Bigshare Services Private Ltd. E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai - 400 072 Tel.: (022) 28470652/28470653 • Fax: (022) 28525207 E-mail: bigshare@bom7.vsnl.net.in
i.	Share Transfer System	
	Shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. The Stakeholders' Relationship Committee of the Company meets as often as required.	
J.	Plant Locations	The Company does not have any manufacturing activities.
j.	Stock Market price data	
	Monthly high and low at BSE Limited, for financial year ended March 31, 2015:	

Monthly High-Low Share Price/BSE SENSEX

Month	BSE SENSEX (High)	BSE SENSEX (Low)	HBCDL (High)	HBCDL (Low) (Rs.)
Apr-14	22939.31	22197.51	9.35	7.60
May-14	25375.63	22277.04	9.39	7.56
Jun-14	25725.12	24270.20	11.20	8.76
Jul-14	26300.17	24892.00	11.20	9.71
Aug-14	26674.38	25232.82	11.10	9.50
Sep-14	27354.99	26220.49	11.18	9.17
Oct-14	27894.32	25910.77	10.34	9.20
Nov-14	28822.37	27739.56	9.59	7.71
Dec-14	28809.64	26469.42	9.90	8.30
Jan-15	29844.16	26776.12	9.87	8.13
Feb-15	29560.32	28044.49	9.60	7.60
Mar-15	30024.74	27248.45	10.29	8.15



k.	a) Distribution of Shareholding as on March 31, 2015:				
	Range (in Rs.)	No. of Share holders	% of total number of Share holders	Amount (in Rs.)	% of Total Shareholding
	1 - 5000	1191	66.06	23,49,200	2.90
	5001 - 10000	266	14.75	24,11,930	2.98
	10001 - 20000	126	6.99	20,93,820	2.58
	20001 - 30000	57	3.16	14,62,070	1.81
	30001 - 40000	32	1.77	11,39,800	1.41
	40001 - 50000	29	1.61	13,99,240	1.73
	50001 - 100000	54	2.99	40,22,400	4.96
	100001 & above	48	2.67	6,61,21,540	81.63
	Total	1803	100.00	8,10,00,000	100.00

b) Category wise Distribution Schedule as on March 31, 2015				
	Sr. No.	Category	No. of Shares held	%
	1.	Promoters	10,08,457	12.45
	2.	Corporate Bodies (Promoter Companies)	41,80,000	51.60
	3.	Clearing Members	3,086	0.04
	4.	Other Bodies Corporate	2,51,486	3.10
	5.	Foreign Company	0	0
	6.	Financial Institutions	0	0
	7.	Foreign Institutional Investor	0	0
	8.	Mutual Funds	0	0
	9.	Nationalised Banks	0	0
	10.	Non Resident Indians	3,810	0.05
	11.	Non Resident Indians (Non Repatriable)	0	0
	12.	Office Bearers	0	0
	13.	Public	25,86,176	31.93
	14.	Directors and Relatives of Director	66,985	0.83
		Total	81,00,000	100.00
l.	Dematerialisation of shares and liquidity			
	The Company has established required connectivity with Central Depository Services (India) Limited and National Securities Depository Limited and the same are available in electronic segment under ISIN No. INE 525B01016. As on 31 st March 2015, 79, 67, 329 Equity Shares representing 98.36% had been dematerialized.			
	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.			
n.	Address for correspondence			
	For general Correspondence	"Rahejas", 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai – 400 054. Tel: (022) 26001306 Fax: (022) 26001307Email: investor.grievanceeathway.net		
	For matters related to Share transfers Dematerialisation, etc.	Bigshare Services Private Ltd. E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 Tel.: (022) 28470652/28470653 Fax: (022) 28525207 Email: bigshare@bom7.vsnl.net.in		
o.	Stock Exchange Code:- 509073			
p.	Details as per clause 5A of Listing Agreement			

Unclaimed Shares as on 1 st April, 2014		Details of Shareholders approached during the FY 2014-15 for the claiming of shares		Details of Shareholders to whom the shares have been transferred during the FY 2014-15		Unclaimed Shares as on 31 st March, 2015	
No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

9. Other Disclosures:

a. Related Party Transactions:

There are no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large. The transactions mentioned under the Section of Notes to Accounts which forms a part of the Auditors' Report for the year ended 31st March, 2015 are non-material in nature.

b. Code for Prevention of Insider Trading Practices:

In compliance with SEBI's regulation on prohibition and prevention of Insider Trading, the Company has established comprehensive Code of Conduct for prohibition and prevention of Insider Trading for its designated employees/persons and Directors. The said Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company.

The Company has also established the Code of Practices and Procedures of fair disclosure of Unpublished Price Sensitive Information.

c. Meeting of Independent Directors:

As required under Section 149 of the Companies Act, 2013 read with Schedule IV to the Act and Clause 49 II (B)(6) of the Listing Agreement entered into with the Stock Exchanges, the Meeting of Independent Directors of the Company was held on 12th February 2015 inter-alia to review the performance of non-independent Directors and Board as a whole, the Chairperson of the Company and to assess the quality, quantity and flow of information between the management and the board. Further the Independent Directors were briefed on their roles, rights and responsibilities towards the Company, the nature of industry in which the Company operates and its business model

d. Compliance by the Company:

During the year the Company has received a notice from BSE Limited for payment of penalty of Rs. 16,854/- for late submission of Annual report for FY 2013-14. The Company has duly paid the said fine.

e. Compliance with the Mandatory requirements and implementation of the Non-Mandatory Requirements:

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

- f. The Company has not implemented the Whistle Blower Policy which is a non-mandatory requirement under the code of the Corporate Governance.

10. CEO/CFO Certification:

- a) As required under Section V of Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director 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, 2015.

11. Request to investors:

- a) Investors are requested to communicate change of address, if any, directly to the share transfer agent of the Company at the above address.
- b) As required by SEBI, investors shall furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.
- c) The Shareholders who still hold the shares in the physical mode are requested to convert their respective holding in Dematerialization form and get their email-id registered with the Company / Registrar & Share Transfer Agent to enable the company to send all the Communications / Correspondence through electronic mode.
- d) Investors who have not availed nomination facility are requested to avail the same by submitting the nomination form. The form will be made available on request.
- e) Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number etc.

CODE OF CONDUCT DECLARATION

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

SAMSON JESUDAS

Managing Director & CEO

DIN: 02539442

Place: Mumbai

Date: August 12, 2015

To
The Members of
HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

CORPORATE GOVERNANCE CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by **HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED** ("Company") for the financial year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

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

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

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

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

For **RATHI & ASSOCIATES,**
COMPANY SECRETARIES

HIMANSHU S. KAMDAR

Partner

FCS No. 5171

C.P. No.3030

Date: August 12, 2015

Place: Mumbai

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERALL REVIEW

The previous year has been a good one for the Indian economy with a sea change in the macroeconomic parameters and a sustainable turnaround on the cards. At a time when global growth prospects are static, the Indian economy has in fact entered a sweet spot. To begin with, Gross Domestic Product (GDP) growth, which had plummeted to sub 5% levels in past two fiscal years finally seems to have picked up on the back of a cyclical rebound and some genuine improvement. Growth in the current year, while not spectacular, has moved up firmly into the 7%+ bracket. This improvement has come on the back of improved performance in the industrial sector, stable growth in the services sector and a surprisingly resilient agriculture sector. Further, policy action on the environmental clearances and mining licenses has helped prop up sentiment while a push to some stuck projects have aided growth prospects.

India being a net importer of global commodities, such as crude oil has greatly benefited from their steep global price correction. The commodity meltdown has helped the Government and Reserve Bank of India (RBI) stabilise key macroeconomic indicators such as inflation, current account deficit and fiscal deficit, all of which had deviated from their desirable levels in the preceding years. The commodity price correction is also expected to have a strong positive impact on savings and discretionary spending.

The Government, over the past year has taken several initiatives to create a strong foundation for a sustainable and inclusive growth. Some of these include the introduction of the GST Bill, the Pradhan Mantri Jan Dhan Yojna (PMJDY) to promote financial inclusion, the Smart Cities program to facilitate urban renewal, and the Digital India campaign to drive a digitally empowered future. These and other initiatives are collectively expected to invite and incentivize domestic and foreign investments into India.

INDUSTRY REVIEW

India is the world's second largest television market but remains highly unstructured. Indian TV Distribution is one of the most fragmented industries, consisting of 600+ TV Channels, 50,000+ Local Cable Operators (LCO's) and 1900+ Multi System Operators (MSO's).

The number of TV households in India increased to 168 million in 2014, implying a penetration of 61%. The number of Cable and Satellite (C & S) Subscribers increased by 10 million in 2014, to reach 149 million of which the paid subscriber base is estimated at 139 million. The paid C & S subscriber base is expected to grow to 175 million by 2019, representing 90% of the TV homes. *(Source: FICCI – KPMG India Media and Entertainment Industry Report 2015)*

The Ministry of Information & Broadcasting (MIB) has extended the deadlines for Phases III and IV of Digital Addressable System (DAS) implementation to 31 December 2015 and 31st December 2016 respectively. The deadline extension is expected to provide enough time for MSO's and LCO's to work on set top box (STB) procurement, setting up digital headends where required, fixing agreements with broadcasters, implementing channel packages etc., Accordingly, nationwide digitisation will become a reality only by the beginning of CY 2017.

OPPORTUNITIES, THREATS AND BUSINESS OUTLOOK

Besides digitisation in Phase III and Phase IV markets, the company is targeting Broadband as another big opportunity in the reckoning. The company is in the process of leveraging its existing CATV subscribers to promote the broadband Internet thereby increasing its subscriber base and corresponding ARPU.

Looking at the competition in the DTH space and DAS III and IV implementations forward your Company may be required to constantly upgrade its infrastructure, which will entail substantial capital expenditure. Further, the Government may regulate the CATV rates.

However, the Company is gearing up to take on any technological change in the industry. The Company is taking various steps for reducing operating cost and other expenses by:

- a) Improving efficiency through innovative solutions
- b) Curtailing overheads by exercising strict control and regular review mechanism.
- c) Stringent control procedures for fast recoveries.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has proper and adequate internal control system under which management reports on key performance indicators and variance analysis are made. Regular Management committee meetings are held where these reports and variance analysis are discussed and action plan initiated with proper follow up. Operational Reports are tabled at Board Meetings after being discussed in Audit Committee meetings.

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The Company is providing Cable Television Network Services & Internet Services which is considered as the only reportable segment. In terms of Accounting Standard 17 on segmental reporting, the company's operations are based in the state of Maharashtra, India.

HUMAN RESOURCES

An Orientation has been given to the personnel policy with emphasis on performance. Employee strength was increased at various levels with reallocation of responsibilities for better utilisation of resources.

Measures are continuing to facilitate higher levels of output and productivity. Managerial Effectiveness is being improved by appropriate development and training programs, better co-ordination and improvement in communications.

COMPANY'S FINANCIAL PERFORMANCE AND ANALYSIS

(Rs. In Lacs)

Particulars	Year 2014 -15		Year 2013 -14	
	Amount	% of Total Income	Amount	% of Total Income
INCOME				
Income from Operations	1542.89	99.48	1537.53	99.31
Other Income	8.08	0.52	10.69	0.69
TOTAL	1550.97	100.00	1548.22	100.00
EXPENDITURE				
Operational Expenses	1273.20	82.09	1287.58	83.16
Staff Cost	161.39	10.40	183.12	11.83
Other Expenses	336.00	21.66	330.12	21.37
Finance Charges	21.22	1.37	3.09	0.20
Depreciation / Amortisation	77.64	5.01	78.13	5.04
TOTAL	1869.45	120.53	1882.72	121.60
Profit / (Loss) Before Taxation and Exceptional Items	(318.48)	(20.53)	(334.50)	(21.60)
Provision for Diminution of Investments	0	0	0	0
Exceptional Items	0.67	0.04	33.90	2.19
Profit / (Loss) Before Taxation	(317.82)	(20.49)	(368.40)	(23.79)
Provision for taxation				
Deferred Tax	4.69	0.30	3.85	0.25
Income Tax (MAT)	0	0	0	0
Profit / (Loss) After taxation	(313.13)	(20.19)	(364.55)	(23.54)

CAUTIONARY STATEMENT

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements Refer Note no. 4.04 to the Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No. 104767W

ATUL SHAH
Partner
Membership No. 039569

Mumbai
Dated: May 25, 2015

ANNEXURE TO THE AUDITOR'S REPORT

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

- i. (a) The Company has maintained records of fixed assets, other than distribution equipments, 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) According to the information and explanations given to us, fixed assets, other than distribution equipments including Cable TV / Internet Access Devices with the subscribers, were physically verified during the year as per the programme of verification which, in our opinion, is reasonable. Material discrepancies arising on such physical verification have been properly dealt within the books of accounts. However, in absence of physical verification for distribution equipments and access devices, discrepancies have not been ascertained and not dealt within the books of accounts;
- ii. (a) The inventories have been physically verified by the management during the year;
- (b) In our opinion and according to the information and explanation given to us, the frequency of verification and procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of such inventory. We have been informed that discrepancies observed on physical verification between the stocks and the book records were not material;
- iii. The Company has not granted any interest free unsecured loan to a company covered in the register maintained under section 189 of the Act. Accordingly, the sub-clauses (a) to (b) of the clause 3 (iii) of the Order are not applicable ;
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system with regards to purchases of the inventory and fixed assets and sale of goods and services. The management is in process of further strengthening the internal controls over documentation in certain areas so as to make it commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any other area of continuing failure to correct major weakness in internal controls;
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions contained in sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under are not applicable to the Company. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal;
- vi. The Central Government has prescribed maintenance of cost records under section 148(1) of the Act in respect of certain service activities of the Company. We have broadly reviewed the

accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same;

- vii. (a) Based on the records produced before us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of outstanding statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us, there are no outstanding disputed dues payable by the Company in case of income tax, wealth tax, sales tax, duty of customs, service tax, duty of excise, value added tax and cess as on March 31, 2015;
- (c) According to the information and explanation given to us, no amounts were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder. Therefore, the provisions of sub-clause (c) of the clause 3(vii) of the Order relating to transfer of amount to investor education and protection fund are not applicable;
- viii. The Company's accumulated losses as at the end of financial year are more than fifty percent of its net worth and it has not incurred cash losses in the financial year ended on March 31, 2015 and in the immediately preceding financial year;
- ix. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institutions and banks;
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions;
- xi. Based on information and explanation given to us and based on overall review of the funds utilization, we are of the view that the Company has generally utilized funds for which they were obtained; and
- xii. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

FOR G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No. 104767W

ATUL SHAH
Partner
Membership No. 39569

Mumbai
Dated: May 25, 2015

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED
BALANCE SHEET AS AT MARCH 31, 2015
CIN : L65910MH1984PLC034514

in ₹

Particulars	Note No	As At March 31,	
		2015	2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.01	81,000,000	80,000,000
Reserves and Surplus	2.02	(94,903,373)	(62,497,316)
Non-current liabilities			
Long-term borrowings	2.03	14,341,378	14,624,763
Deferred tax liabilities (Net)	2.04	1,015,495	2,018,093
Long-term provisions	2.07	1,568,520	1,859,888
Current liabilities			
Short-term borrowings	2.08	-	888,072
Trade payables	2.05	117,756,787	66,648,321
Other current liabilities	2.06	17,831,643	23,228,649
Short-term provisions	2.07	101,408	187,254
		138,711,858	126,957,724
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.09	36,641,572	37,511,980
Intangible assets	2.10	6,329,772	7,514,968
Capital work in progress		95,480	623,712
Non-current investments	2.11	5,529,657	8,084,157
Long-term loans and advances	2.12	21,543,130	14,595,971
Trade receivables	2.15	3,194,272	1,948,461
Other non current assets	2.13	4,646,488	3,562,547
Current assets			
Inventories	2.14	-	87,916
Trade receivables	2.15	33,108,524	36,190,865
Cash and Bank Balances	2.16	15,200,788	2,922,629
Short term loans & advances	2.12	11,979,182	13,508,785
Other current assets	2.13	442,993	405,733
		138,711,858	126,957,724
Summary of significant Accounting Policies	1		
Refer accompanying notes, These notes are an integral part of the financial statements			
As per our report of even date			
For and on behalf of the Board of Directors			
For G. M. KAPADIA & CO. Chartered Accountants Firm Registration No. 104767W			
ATUL SHAH Partner Membership No. 039569	SAMSON JESUDAS Managing Director Din: 02539442	MILIND KARNIK Director Din: 00037127	
	BASANT HARITWAL Chief Financial Officer	DILIP VAIDYA FCS - 7750 Company Secretary & Compliance Officer	
Place: Mumbai Dated: May 25, 2015	Place: Mumbai Dated: May 25, 2015		

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2015
CIN : L65910MH1984PLC034514

in ₹

Particulars	Note No	Year ended March 31,	
		2015	2014
INCOME			
Revenue from operations	3.01	154,289,083	153,752,991
Other income	3.02	808,356	1,068,677
		155,097,439	154,821,668
EXPENDITURE			
Purchase of Stock in Trade		-	490,465
Changes in inventory of stock in trade	3.03	87,916	(67,466)
Operational Expenses	3.04	127,231,617	128,334,763
Employee Benefit Expenses	3.05	16,138,825	18,312,396
Other Expenses	3.06	33,600,607	33,080,178
		177,058,965	180,150,336
Profit / (Loss) Before Finance Cost, Depreciation, Amortisation & Tax		(21,961,527)	(25,328,668)
Depreciation / Amortisation	3.07	7,764,481	7,812,579
Finance Cost	3.08	2,122,302	309,106
Profit / (Loss) before Prior Period Items, Exceptional items and Tax		(31,848,309)	(33,450,353)
Prior Period Expenses	3.09	-	87,204
Exceptional Items	3.10	(66,759)	3,389,627
Profit / (Loss) before Tax		(31,781,550)	(36,927,184)
Tax expense			
Current tax		-	-
Deferred tax		(468,923)	(385,185)
Net Profit / (Loss) for the Year from Continuing Operations		(31,312,627)	(36,541,999)
Earnings per equity share (nominal value of share ₹ 10 each)	4.09		
Basic		(3.89)	(4.57)
Diluted		(3.89)	(4.57)
Summary of significant Accounting Policies	1		

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

As per our report of even date

For and on behalf of the Board of Directors

For G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No. 104767W

ATUL SHAH
Partner
Membership No. 039569

SAMSON JESUDAS
Managing Director
Din: 02539442

MILIND KARNIK
Director
Din: 00037127

BASANT HARITWAL
Chief Financial Officer

DILIP VAIDYA
FCS - 7750
Company Secretary &
Compliance Officer

Place: Mumbai
Dated: May 25, 2015

Place: Mumbai
Dated: May 25, 2015

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015
CIN : L65910MH1984PLC034514

in ₹

	2014-2015		2013-2014	
	Amount	Amount	Amount	Amount
CASH FLOW FROM OPERATING ACTIVITIES:				
NET PROFIT / (LOSS) BEFORE TAX , PRIOR PERIOD		(31,781,550)		(36,927,184)
ADJUSTMENTS				
Depreciation and Amortisation	5,197,722		7,812,579	
Provision for Bad Debts	13,600,000		11,750,000	
Provision for Doubtful Advances / Investments	2,558,000		3,389,627	
Assets Written off.	-		1,094,397	
Sundry Advances Written Off	-		9,361	
Sundry balance written back	-		(240,380)	
(Profit) / loss on sale of Fixed Assets	(157,187)		251,024	
Interest Income	(443,114)		(394,308)	
Gratuity and Leave Encashment expense/(write back)	377,214		(75,021)	
Interest Expense	2,122,302		147,980	
		23,254,937		23,745,259
Operating Profit Before Change in Working Capital		(8,526,613)		(13,181,925)
Change in Working Capital				
(Increase) / Decrease in Inventories	87,916		(67,466)	
(Increase) / Decrease in Trade Receivable	(11,763,470)		(4,705,035)	
(Increase) / Decrease in Loans & Advances	(64,587)		(2,856,353)	
(Increase) / Decrease in Other Assets	(63,238)		-	
Increase / (Decrease) in Current Liabilities & Provisions	47,712,787		38,661,590	
		35,909,407		31,032,736
Cash Generated from Operations		27,382,794		17,850,811
Taxes Paid (Net)		(5,352,969)		(7,184,636)
Net Cash flow from / (used in) Operating activity		22,029,825		10,666,175
CASH FLOW FROM INVESTING ACTIVITIES:				
Interest received	65,137		48,523	
Proceeds for sale of Fixed assets	242,540		88,048	
Purchase of Fixed Assets	(7,211,891)		(6,353,023)	
Payment towards Capital Advances	-		16,000	
Purchase of Investments	(3,500)		-	
Net cash flow from / (used in) Investing activity		(6,907,714)		(6,200,452)
CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Fresh Capital	1,100,000		-	
Short term borrowing (net)	(888,072)		(3,503,078)	
Repayment of long term borrowing	(253,592)		(385,507)	
Interest charges	(2,122,302)		(147,980)	
Net cash flow from / (used in) Financing activity		(2,163,966)		(4,036,565)
Net increase in Cash and Cash equivalent		12,958,145		429,158
Cash & Cash equivalents at the beginning of year		2,242,643		1,813,485
Cash & Cash equivalents at the end of year		15,200,788		2,242,643
In Current Accounts		14,440,071		1,372,992
Cash on hand		760,717		869,651
		15,200,788		2,242,643

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

2. Cash and Cash equivalents represent "Cash Balance in hand and Balances with Schedule Banks". Cash & Cash equivalents at the beginning of the year and at the end of the year also includes Fixed Deposits pledged as securities.

As per our report of even date

For and on behalf of the Board of Directors

For G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No. 104767W

ATUL SHAH
Partner
Membership No. 039569

SAMSON JESUDAS
Managing Director
Din: 02539442

MILIND KARNIK
Director
Din: 00037127

BASANT HARITWAL
Chief Financial Officer

DILIP VAIDYA
FCS - 7750
Company Secretary &
Compliance Officer

Place: Mumbai
Dated: May 25, 2015

Place: Mumbai
Dated: May 25, 2015

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

1. Significant Accounting Policies and Notes on Accounts

Company Overview

Hathway Bhawani Cabletel 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 engaged in distribution of television channels through analog and digital cable distribution network and internet services through cable. Its equity shares are listed on Bombay Stock Exchange Limited (BSE) in India.

1. Basis of preparation

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

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

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except to the extent stated in point no. 2 below.

2. Change in Accounting Policy

In the current year, the Company changed, with retrospective effect, its method of providing depreciation on certain fixed assets from the Written Down Value (WDV) method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line (SLM) method at the rates derived from the useful life stated in Schedule II to the Act. The above change is in case of all fixed assets except Internet access devices at customers location. In case of later, depreciation is provided over 8 years on SLM. Refer note no. 4.10 also.

3. Use of Estimates

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

requirements of the respective accounting standard, as may be applicable.

4. Fixed Assets

(a) Tangible Assets

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

(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. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.
- (iii) Intangible assets comprises of Cable Television Franchise and Software's. Cable Television Franchisee represents purchase consideration of a network that is mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.

5. Depreciation / Amortization

- (a) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful life as prescribed in Schedule II to the Act, unless otherwise specified.
- (b) Depreciable amount for assets is the cost of an asset less its estimated residual value.
- (c) In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- (d) The cost of STBs and Internet Access Devices at customers location are depreciated on straight-line method over a period of eight years.

- (e) Assets costing less than ₹ 5,000/- is fully depreciated in the year of purchase.
- (f) The intangible assets are amortized on a straight line basis over their expected useful lives as follows:
 - (i) Cable Television Franchise is amortized over a period of twenty years.
 - (ii) Software's are amortized over the license period and in absence of such tenor, over five years.

6. Investments

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

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

(a) Long Term Investments

Long-term investments in shares are stated at cost. 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.

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.

7. Inventories

Inventories are valued as follows:

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

8. Borrowing Cost

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.

9. Provisions, Contingent Liabilities And Contingent Assets

- (a) A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the balance sheet date. Provisions are reviewed on each balance sheet date and are adjusted to effect the current best estimation.

- (b) Contingent liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of:
 - (i) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
 - (ii) a possible obligation, unless the probability of outflow of resources is remote.
- (c) Contingent Assets are neither recognized nor disclosed.

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 is 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.

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.

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.

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.
- (b) Revenue from prepaid Internet Service plans, which are active at the end of accounting period, is recognized on time proportion basis. In other cases of prepaid Internet Service plans, entire revenue is recognized in the period of sale.
- (c) Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the Company. In cases

where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Company recognizes revenue as per invoice raised. Adjustments for the year, if any, arising on settlement is adjusted against the Revenue. Other cases are reviewed by the management periodically and provision for doubtful debts is made wherever ultimate realization is considered uncertain.

- (d) 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.

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.

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.

14. 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.

15. 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.

16. 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.

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.

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

in ₹

2.01 SHARE CAPITAL	As At March 31,	
	2015	2014
SHARE CAPITAL		
Authorised Capital		
10,000,000 (10,000,000) Equity Shares of face value of ₹ 10 each fully paid-up	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed(fully paid) & Paid up Capital		
8,100,000 (8,000,000) Equity Shares of face value of ₹ 10 each fully paid-up	81,000,000	80,000,000
	81,000,000	80,000,000

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

Particulars	As At March 31,			
	2015		2014	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	8,000,000	80,000,000	8,000,000	80,000,000
Shares Issued during the year	100,000	1,000,000	-	-
Shares bought back/ other movements during the year	-	-	-	-
Shares outstanding at the end of the year	8,100,000	81,000,000	8,000,000	80,000,000

b) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Particulars	As At March 31,	
	2015	2014
	No. of Shares Held	No. of Shares Held
Hathway Cable & Datacom Limited (Holding Company)	2,020,000	1,920,000
Hathway Media Vision Private Limited (wholly owned subsidiary of Holding Company)	2,160,000	2,160,000
	4,180,000	4,080,000

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

Name of Shareholder	As At March 31,			
	2015		2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Hathway Cable & Datacom Limited	2,020,000	24.94%	1,920,000	24.00%
Kuldeep Puri	504,339	6.22%	504,339	6.30%
Hathway Media Vision Private Limited	2,160,000	26.67%	2,160,000	27.00%

d) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

The Company has issued only one class of shares referred to as equity shares having a face value of ₹10 per share. Each holder of equity shares is entitled to one vote per share and proportionate amount of dividend if declared to the total number of shares. 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.

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

in ₹

2.02 RESERVES & SURPLUS	As at March 31,	
	2015	2014
Securities Premium Reserve		
Balance at the beginning of the year	15,000,000	15,000,000
Add: Securities premium credited on Share issue	100,000	-
Less: Deduction during the year	-	-
Balance at the end of the year	15,100,000	15,000,000
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance at the beginning of the year	(77,497,316)	(40,955,317)
Add : Net Profit / (Loss) after tax for the current year	(31,312,627)	(36,541,999)
Less : Adjustment relating to transitional provision contained in Schedule II (Refer Note No. 4.10)	(1,193,430)	-
Deficit at the end of the year	(110,003,373)	(77,497,316)
	(94,903,373)	(62,497,316)

in ₹

2.03 LONG TERM BORROWINGS	Non- Current		Current	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Secured				
Vehicles Loans				
From Financial Institutions	75,930	359,315	283,385	253,592
	75,930	359,315	283,385	253,592
LOANS AND ADVANCES FROM RELATED PARTIES				
Unsecured				
Loan From Holding Company	14,265,448	14,265,448	-	-
	14,265,448	14,265,448	-	-
Amount disclosed under the head 'Other Current Liabilities' (Note No. 2.06)	-	-	283,385	253,592
Net Amount	14,341,378	14,624,763	-	-

Nature of Security and terms of repayment for secured borrowings:

Nature of Security	Terms of Repayment
Loan from Financial Institution	
(i) Vehicle Loans from Financial Institution amounting to ₹ 359,315 (March 31, 2014: ₹ 612,907) are secured by Hypothecation of Vehicle.	Principal repayable in 60 equal monthly installments along with Interest. Applicable Rate of Interest is 11% /10.75% .1st installment due from Nov.2010/ June.2011.
Unsecured Loan	
(ii) Loan from Holding company amounting to ₹ 1,42,65,448 (March 31, 2014: ₹ 1,42,65,448)	The unsecured loan is repayable on demand on or after April 1, 2016. Applicable Rate of Interest is 13.5% p.a.

in ₹

2.04 DEFERRED TAX LIABILITIES (NET)	As at March 31,	
	2015	2014
Deferred Tax Assets		
Provision for Gruuity	330,357	362,116
Disallowance under The Income Tax Act 1961	185,651	270,451
Income earned during the pre-commencement period	237,267	237,267
(A)	753,275	869,834
Deferred Tax Liabilities		
Difference between Book and Tax Depreciation	1,768,770	2,887,927
(B)	1,768,770	2,887,927
Net Deferred Tax Liabilities (A-B)	1,015,495	2,018,093
In the absence of virtual certainty of availability of taxable business income in near future against which the deferred tax assets can be adjusted, the Company has not recognized deferred tax assets on unabsorbed depreciation and business losses.		

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

in ₹

2.05 TRADE PAYABLES	Current	
	As at March 31,	
	2015	2014
Payable to Micro and Small Enterprise*	-	-
Pay channel cost	46,254,831	61,433,102
Others	71,501,956	5,215,219
	117,756,787	66,648,321
*As per the information available with the Company, none of the Payables qualify as supplier under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") and accordingly no disclosure is made pursuant to section 22 of the Act.		

in ₹

2.06 OTHER LIABILITIES	Current	
	As at March 31,	
	2015	2014
Current Maturities of Long term borrowings (Refer Note 2.03)	283,386	253,592
Payable for Capital Expenditure	1,218,372	4,003,921
Overdrawn Bank Balance as per Books	-	1,507,797
Security Deposits Received	5,231,308	5,538,818
Other payables		
Income received in advance	3,881,126	3,958,113
Statutory Payables	1,574,637	3,165,080
Employee Payables	3,384,379	3,211,411
Other Liabilities	2,258,435	1,589,917
	17,831,643	23,228,649

in ₹

2.07 PROVISIONS	Long Term		Short Term	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Provision for employee benefits				
Gratuity	1,011,740	1,096,953	57,377	74,944
Leave Encashment	556,780	762,935	44,031	112,310
	1,568,520	1,859,888	101,408	187,254

in ₹

2.08 SHORT TERM BORROWINGS	As at March 31,	
	2015	2014
Secured		
Loans repayable on demand		
Cash Credit - Bank of Maharashtra	-	888,072
	-	888,072

Nature of Borrowing	Nature of Security
Cash Credit from Bank of Maharashtra ₹ Nil (March 31, 2014: ₹ 888,072)	Secured against Hypothecation of Book Debts, Headend Equipments and Fixed Deposit of ₹ 33.61 Lakhs

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED NOTES TO THE FINANCIAL STATEMENTS

FIXED ASSETS

in ₹

	<----- Gross Block ----->			<--- Depreciation/Amortisation/Impairment--->							<---Net Block--->	
	As at 1-Apr-14	Additions during the year	Deductions during the year	As at 31-Mar-15	As at 1-Apr-14	Adjustment for Change in Depreciation Policy	Additions during the year	Deductions during the year	Others Adjustment	As at 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
Plant and Machinery	90,983,341	3,324,553	399,539	93,908,355	57,082,008	(2,319,360)	5,245,260	317,378	1,458,629	61,149,159	32,759,196	33,901,333
Air conditioners	1,105,998	209,000	153,505	1,161,493	561,979	181,952	155,819	150,745	80,605	829,609	331,884	544,019
Structural Fittings	108,275	-	-	108,275	108,275	(17,318)	10,286	-	-	101,243	7,032	-
Furniture & Fixtures	4,827,197	902,722	1,330,361	4,399,558	3,997,181	7,994	255,072	1,330,360	54,682	2,984,569	1,414,989	830,015
Mobile Phones & Telephone	476,275	16,650	-	492,925	365,871	31,827	18,203	-	43,945	459,847	33,078	110,404
Computers	3,654,521	194,945	13,300	3,836,166	2,935,034	(119,012)	268,746	13,300	(32,375)	3,039,092	797,074	719,487
Office Equipment	835,591	115,504	20,307	930,788	464,967	185,050	70,632	20,307	123,299	823,641	107,146	370,624
Electrical Fittings	323,404	-	-	323,404	224,855	30,053	30,723	-	-	285,632	37,772	98,549
Vehicles	3,008,189	15,200	4,741	3,018,648	2,070,641	(547,945)	348,544	4,313	(1,680)	1,865,246	1,153,401	937,549
Total	105,322,791	4,778,574	1,921,753	108,179,612	67,810,811	(2,566,759)	6,403,285	1,836,403	1,727,105	71,538,038	36,641,572	37,511,980
Previous year	107,696,970	6,544,789	8,918,968	105,322,791	68,862,672	-	6,433,638	7,485,499	-	67,810,811	37,511,980	38,834,297

in ₹

2.10 INTANGIBLE ASSETS	<-----Gross Block----->			<--- Depreciation/Amortisation/Impairment--->					<---Net Block--->		
	As at 1-Apr-14	Additions during the year	Deductions during the year	As at 31-Mar-15	As at 1-Apr-14	Adjustment for Change in Depreciation Policy	Additions during the year	Deductions during the year	Others Adjustment	As at 31-Mar-15	As at 31-Mar-14
Cable TV Franchisee	26,346,020	-	-	26,346,020	18,992,646	-	1,317,301	-	-	20,309,947	7,353,374
Computer softwares	624,660	176,000	-	800,660	463,066	-	43,895	-	-	506,961	161,594
Total	26,970,680	176,000	-	27,146,680	19,455,712	-	1,361,196	-	-	20,816,908	7,514,968
Previous year	27,070,680	-	100,000	26,970,680	18,176,771	-	1,378,941	100,000	-	19,455,712	8,893,909

Note:

Range of remaining period of amortisation of Intangible Assets is as below:	0 to 5 years	Total WDV
Cable Television Franchisee	6,036,073	6,036,073
Softwares	293,699	293,699

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

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

in ₹

2.11 NON-CURRENT INVESTMENTS	As at March 31, 2015		As at March 31, 2014	
	Quantity	Amount	Quantity	Amount
Trade Investments (Valued at cost)				
Unquoted equity instruments				
Investment in Subsidiaries				
Hathway Bhawani NDS Network Pvt. Ltd. (face Value ₹ 500)	15,810	7,905,157	15,810	7,905,157
Less: Diminution for value of investments		2,500,000		-
		5,405,157		7,905,157
Hathway Bhawani Sai Network Pvt. Ltd. (face Value ₹ 500)	-	-	116	58,000
Others				
Government and trust securities				
National Saving Certificates (Pledged with Government Authorities)		124,500		121,000
		5,529,657		8,084,157
Aggregate amount of quoted investments		-		-
Market Value of Quoted Investments		-		-
Aggregate amount of unquoted investments		8,029,657		8,084,157
Aggregate provision for diminution in value of investments		2,500,000		-

in ₹

2.12 LOANS AND ADVANCES	Non- current		Current	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Capital Advances				
Unsecured, considered good unless stated otherwise				
Advances for Network Acquisitions	-	4,389,627	-	-
	-	4,389,627	-	-
Less: Provision for doubtful Advances	-	4,389,627	-	-
	-	-	-	-
Security Deposits				
Unsecured, considered good				
Security Deposits	3,372,884	2,929,284	-	-
	3,372,884	2,929,284	-	-
Other Loans and advances				
Unsecured, considered good unless stated otherwise				
Advance Tax (Net of Provision)	18,170,246	11,666,687	1,517,838	2,668,428
Prepaid expenses	-	-	370,012	1,286,182
Sundry Advances	-	-	-	181,822
Staff Advances	-	-	1,011,631	72,010
Service tax Claimable	-	-	2,621,673	8,385,758
Cenvat Receivable	-	-	6,458,028	914,585
	18,170,246	11,666,687	11,979,182	13,508,785
	21,543,130	14,595,971	11,979,182	13,508,785

in ₹

2.13 OTHER ASSETS	Non- current		Current	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Unsecured, considered good unless stated otherwise				
Fixed Deposit with Bank (Refer Note No. 2.16)	4,113,411	3,370,187	-	-
Interest Accrued and Not Due	533,077	192,360	442,993	405,733
	4,646,488	3,562,547	442,993	405,733

in ₹

2.14 INVENTORIES (Lower of cost or net realizable value)	Current	
	As at March 31,	
	2015	2014
CATV - Set Top Boxes	-	87,916
	-	87,916

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

in ₹

2.15 TRADE RECEIVABLES	Non- current		Current	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	-	-	33,108,524	36,190,865
Doubtful	33,778,404	20,796,517		
	33,778,404	20,796,517	33,108,524	36,190,865
Less: Provision for doubtful receivables	30,584,132	18,848,056	-	-
	3,194,272	1,948,461	33,108,524	36,190,865
Outstanding for a period exceeding six months			1,878,802	8,660,612
Others receivables			31,229,722	27,530,253
			33,108,524	36,190,865

in ₹

2.16 CASH AND BANK BALANCES	Non- current		Current	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Cash and Cash Equivalents				
Balances with Banks				
In current Accounts	-	-	14,440,071	1,372,992
Cash on hand	-	-	760,717	869,651
Other Bank Balances				
Deposits with more than 12 months maturity	4,113,411	3,370,187	-	679,986
	4,113,411	3,370,187	15,200,788	2,922,629
Less: Amount disclosed under Other non current assets (Refer Note No.2.13)	4,113,411	3,370,187	-	-
	-	-	15,200,788	2,922,629

Out of the above Fixed deposits with Bank of Maharashtra, deposits of ₹ 751,971 (March 31, 2014: ₹ 637,380) is given as security against outstanding bank Guarantees and deposits of ₹ 3,361,440 (March 31, 2014: ₹ 3,361,440) is given as security against cash credit limit with the said bank.

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

in ₹

3.01 REVENUE FROM OPERATIONS	Year Ended March 31,	
	2015	2014
Sale of services		
Subscription Income*	153,431,990	152,303,780
Advertisement Income	360,541	417,631
Rental Income on Equipments*	409,285	472,457
Other Operational Income*	-	122,437
Sale of products		
Sale of Access Devices*	87,267	436,686
	154,289,083	153,752,991

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

in ₹

REVENUE FROM INTERNET SERVICES	Year Ended March 31,	
	2015	2014
Subscription Income	18,498,006	22,034,442
Rental Income on Equipments	49,397	72,153
Sale of Access Devices	1,400	15,530
Other Operational Income	-	34,400

in ₹

3.02 OTHER INCOME	Year Ended March 31,	
	2015	2014
Interest on Fixed Deposit	430,667	394,308
Interest on Government Securities	12,447	12,551
Interest on Income Tax Refund	-	264,047
Profit on Sale Assets	157,187	-
Amount No Longer Payable Written Back	-	240,380
Miscellaneous Income	208,055	157,391
	808,356	1,068,677

in ₹

3.03 CHANGES IN INVENTORY OF STOCK IN TRADE	Year Ended March 31,	
	2015	2014
Opening stock	87,916	20,450
Less: Closing stock	-	87,916
	87,916	(67,466)

in ₹

3.04 OPERATIONAL EXPENSES	Year Ended March 31,	
	2015	2014
Bandwidth & Lease Line Cost	10,062,253	12,771,006
Consultancy Charges	902,100	1,877,600
Commission	5,323,357	294,486
Pay Channel & Feed Charges	87,479,077	91,785,294
Repairs & Mainenance - Machinery	1,090,904	1,642,881
Rent	4,358,340	4,117,175
Software & Programming Cost	23,677	67,201
Digital Subscription Expense	6,300,000	9,500,490
Transport Charges	159,793	142,671
Other Operating Expenses	11,532,116	6,135,959
	127,231,617	128,334,763

in ₹

3.05 EMPLOYEE BENEFITS EXPENSE	Year Ended March 31,	
	2015	2014
Salaries and Bonus	13,967,452	16,816,883
Contribution to Provident fund and other funds	1,505,631	1,286,855
Staff welfare expenses	665,742	208,658
	16,138,825	18,312,396

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

in ₹

3.06 OTHER EXPENSES	Year Ended March 31,	
	2015	2014
Advertisement & Promotion expenses	52,861	54,033
Business promotion expenses	1,766,898	310,717
Communication charges	537,213	624,473
Conveyance	2,412,277	2,959,552
Electricity charges	2,338,360	2,763,461
Insurance Others	191,186	101,739
Legal & Professional charges	465,665	436,090
Loss on Disposal / Shortage of Fixed Assets	-	251,024
Sundry Advances Written Off	-	9,361
Assets Written off.	-	1,094,397
Miscellaneous Expenses	876,655	315,622
Printing and stationery	592,161	648,992
Interest on Taxes	2,132	39,133
Rates and taxes	4,411,439	4,440,661
Repairs & Maintenance - Others	89,037	433,280
Service charges	1,487,512	2,159,733
Office expenses	4,179,212	4,213,910
Provision for Doubtful Debts	13,600,000	11,750,000
Provision for Bad and Doubtful Advances / Investments	58,000	-
Auditor's Remuneration		
- Statutory Audit Fees	275,000	275,000
- Taxation matters	50,000	50,000
Managerial Remuneration		
Sitting Fees	215,000	149,000
	33,600,607	33,080,178

in ₹

3.07 DEPRECIATION AND AMORTISATION	Year Ended March 31,	
	2015	2014
Depreciation on tangible assets	6,403,285	6,433,638
Amortisation on intangible assets	1,361,196	1,378,941
	7,764,481	7,812,579

in ₹

3.08 FINANCE COST	Year Ended March 31,	
	2015	2014
Interest Expenses & Finance Charges	1,976,373	147,980
Bank Charges	145,929	161,126
	2,122,302	309,106

in ₹

3.09 PRIOR PERIOD ADJUSTMENTS	Year Ended March 31,	
	2015	2014
Expenses of earlier years debited to Statement of profit & loss	-	92,770
Reversal of income of earlier years debited to Statement of profit & loss	-	285,495
Total Debit (A)	-	378,265
Income of earlier year credited to Statement of profit & loss	-	81,516
Reversal of Expense earlier years credited to Statement of profit & loss	-	209,545
Total Credit (B)	-	291,061
Net Debit / (Credit) to Statement of Profit & Loss Amount (A-B)	-	87,204

in ₹

3.10 EXCEPTIONAL ITEMS	Year Ended March 31,	
	2015	2014
Advances Written Off	4,389,627	3,389,627
Less : Transfer from Provision for Doubtful Advances	4,389,627	-
Provision for Doubtful Investments	2,500,000	-
Excess Depreciation written back on implementation of schedule II	(2,566,759)	-
	(66,759)	3,389,627

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

4.01 Additional Information As Required Under Para 5 (viii) Of Part II Of Schedule III of The Companies Act, 2013 have been furnished to the extent it is applicable to the Company:
in ₹

Particulars	Year ended March 31,	
	2015	2014
CIF Value of Imports	Nil	Nil
Expenditure in foreign currency	Nil	Nil
Earning in foreign currency	Nil	Nil

4.02 In the opinion of the Board, the loans & advances, trade receivables and all other 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

4.03 Capital And Other Commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ Nil (March 31, 2014: ₹ Nil).

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.

4.04 Contingent Liabilities

(a) Claims against the Company not acknowledged, as debts are ₹ 2,100,000 (March 31, 2014: ₹ 2,100,000).

(b) Outstanding Bank Guarantees ₹ 1,200,000 /- (March 31, 2014: ₹ 1,200,000).

4.05 Employee Benefits

(a) Defined Benefit Plans:

The present value of the defined benefit obligations and the related current service cost were measured using the objected 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 31-March-2015	As at 31-March-2014
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	1,171,897	1,345,639
	Current Service Cost	191,788	191,541
	Interest Cost	124,001	121,000
	Benefits Paid	(576,351)	(460,445)
	Actuarial (Gain) / Loss	157,782	(25,838)
	Past Service Cost		
	Projected benefit obligations at end of the year	1,069,117	1,171,897
2	Change in plan assets:		
	Contributions by Employer	576,351	460,445
	Benefits Paid	(576,351)	(460,445)
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Present value of the defined benefit obligations at the end of the year	1,069,117	1,171,897
	Liability / (Asset) recognised in the Balance Sheet	1,069,117	1,171,897
4	Cost for the year		
	Current Service Cost	191,788	191,541
	Interest Cost	124,001	121,000
	Actuarial (Gain) / (Loss)	157,782	(25,838)
	Net Cost recognised in the Statement of Profit and Loss	473,571	286,703
5	Assumptions		
	Interest rate for discount	7.95%	9.35%
	Estimated rate of return on plan assets	0%	0%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	7%	7%

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

in ₹

b) Defined Contribution Plans:

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

Benefits	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	1,069,117	1,171,897	1,345,639	998,157	823,795
Plan assets	-	-	-	-	-
Surplus/(Deficit)	(1,069,117)	(1,171,897)	(1,345,639)	(998,157)	(823,795)
Experience adjustment on obligation - gain/(loss)	(5,579)	164,277	25,477	22,827	(6,412)
Experience adjustment on plan assets - gain/(loss)	-	-	-	-	-
Experience adjustment (best estimate) to funded plans in subsequent finance year	-	-	-	-	-

4.06 Segmental Reporting

The Company has only one reportable segment. The Company's operations are based in India.

4.07 Related Party Disclosures

I. Controlled by:

a. Hathway Cable & Datacom Ltd.

II. Under the control of the Company

a. Hathway Bhawani NDS Network Pvt.Ltd.

b. Hathway Bhawani Sai Network Pvt.Ltd. (upto March 31, 2014)

III. Other related parties with whom the Company had transactions.

a. Mr. Samson Jesudas (Managing Director with effect from June 1, 2014)

b. Mr. Kuldeep Puri (Managing Director- upto May 31, 2014)

c. Mr. Kulbhushan Puri as Karta Of M/s Kulbhushan Puri HUF (Relative Of Managing Director - upto May 31, 2014)

Description	Enterprises where Control exists	Key Management Personnel	Relatives of Key Management Personnel
1.Remuneration paid - Mr.Kuldeep Puri	- (-)	480,000 (1,440,000)	- (-)
2.Consultancy paid - Mr. Kulbhushan Puri	- (-)	- (-)	500,000 (1,500,000)
3.Reimbursement of expenses paid - Mr.Kuldeep Puri	- (-)	71,822 (307,256)	- (-)
Mr.Kulbhushan Puri	- (-)	- (-)	116,949 (409,262)
4.Purchase of Assets/ STB - Hathway Cable & Datacom Ltd.	- (490,667)	- (-)	- (-)
5.Other transactions/ Lease Rent CMTS - Hathway Cable & Datacom Ltd.	55,855,063 (29,163,704)	- (-)	- (-)
6.Advertisement Revenue/ Carriage fees - Hathway Cable & Datacom Ltd.	51,340,000 (56,100,000)	- (-)	- (-)
7. Feed charges earned/consultancy charges earned Hathway Bhawani NDS Network Pvt.Ltd.	2,048,718 (854,130)	- (-)	- (-)
8. Sale of assets/STB Hathway Bhawani NDS Network Pvt.Ltd.	- (-)	- (-)	- (-)
9.ISP Access Expenses - Hathway Cable & Datacom Ltd.	4,907,239 (6,145,186)	- (-)	- (-)
10.Outstanding balance :			
-Receivable from Hathway Bhawani NDS Network Pvt.Ltd.	4,927,368 (3,870,388)	- (-)	- (-)
-Receivable from Hathway Bhawani Sai Networks Pvt. Ltd.	- (55,591)	- (-)	- (-)
-Payable to Hathway Cable & Datacom Ltd.	68,694,792 (33,292,414)	- (-)	- (-)
-Unsecured Loan Hathway Cable & Datacom Ltd.	14,265,348 (14,265,348)	- (-)	- (-)
- Payable to Mr.Kuldeep Puri	- (-)	94,000 (216,000)	- (-)
- Payable to Mr.Kulbhushan Puri	- (-)	- (-)	- (120,258)

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

4.08 Leases

The Company has leasing arrangements in terms of Accounting Standard 19 on "Leases" as applicable. These leasing arrangements, which are cancelable, range between 11 months to 33 months and are usually renewable by mutual consent on mutually agreeable terms. The amount of such lease rentals debited to the Statement of Profit and Loss for the year is ₹ 4,358,340/- (March 31, 2014: ₹ 4,117,175/-).

4.09 Earnings Per Share

Particulars	2014 - 15	2013 - 14
Profit \ (Loss) after tax (including prior period adjustment and adjustment for short provision of earlier years) – (Rs.)	(31,312,632)	(36,541,999)
Weighted No. of shares outstanding during the period	8,053,425	8,000,000
Nominal value of ordinary shares (₹)	10	10
Basic and Diluted Earnings per share (₹)	(3.89)	(4.57)

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

(a) This change has resulted in net surplus of ₹ 2,566,759 (March 31, 2014 ; ₹ Nil) and is disclosed under as Exceptional Items. Had the Company continued to use the earlier method of depreciation, the debit to the statement of profit and loss after tax for the current period (year to date) would have been lower by ₹ 447,953 (March 31, 2014 ; ₹ Nil)

(b) Based on transitional provision provided in Note 7(b) of Schedule II to the Act, the charge to retained earnings in respect of assets having no useful life as on the effective date, net of deferred tax is ₹ 17,27,105 (March 31 2014 ; ₹ Nil).

4.11 Supplementary statutory information required to be given pursuant to Clause 32 of the listing agreement - Nil.

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

As per our report of even date

For and on behalf of the Board of Directors

For G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No. 104767W

SAMSON JESUDAS
Managing Director
Din: 02539442

MILIND KARNIK
Director
Din: 00037127

ATUL SHAH
Partner
Membership No. 039569

BASANT HARITWAL
Chief Financial Officer

DILIP VAIDYA
FCS - 7750
Company Secretary &
Compliance Officer

Place: Mumbai
Dated: May 25, 2015

Place: Mumbai
Dated: May 25, 2015

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **HATHWAY BHAWANI CABLETEL & DATACOM LIMITED** ("the Holding Company"), and its subsidiary (the Company and its subsidiary constitute "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2015 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 ("the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

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

reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

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

Other Matters

We have not audited the financial statements of one subsidiary, whose audited financial statements reflect total assets of ₹ 7,667,061 as on March 31, 2015 and total revenues of ₹ 10,562,416 and net cash outflows amounting to ₹ 599,151 for the year ended March 31, 2015, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of other auditor.

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

Report on Other Legal and Regulatory Requirements

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

agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2015 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company, none of the directors of the Group companies, is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 4.5 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts; and
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No.104767W

ATUL SHAH
Partner
Membership No. 039569

Mumbai
Dated: May 25, 2015

ANNEXURE TO THE AUDITOR'S REPORT

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

With respect to Hathway Bhawani Cabletel and Datacom Limited (“Holding Company”), its subsidiary, to whom the provisions of the Order apply (hereinafter collectively referred to as “covered companies”), we report as follows:

- i. (a) The covered companies has maintained records of fixed assets, other than distribution equipments, 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) According to the information and explanations given to us, fixed assets, other than distribution equipments including Cable TV / Internet Access Devices with the subscribers, were physically verified during the year as per the programme of verification which, in our opinion, is reasonable. Material discrepancies arising on such physical verification have been properly dealt within the books of accounts. However, in absence of physical verification for distribution equipments and access devices, discrepancies have not been ascertained and not dealt within the books of accounts;
- ii. (a) The inventories have been physically verified by the management of the covered companies during the year;
- (b) In our opinion and according to the information and explanation given to us, the frequency of verification and procedures of physical verification followed by the management of the covered companies are reasonable and adequate in relation to the size of the Holding Company and subsidiary company and the nature of its business;
- (c) In our opinion and according to the information and explanation given to us, the covered companies are maintaining proper records of such inventory. We have been informed that discrepancies observed on physical verification between the stocks and the book records were not material;
- iii. The covered companies has not granted any interest free unsecured loan to a company covered in the register maintained under section 189 of the Act. Accordingly, the sub-clauses (a) to (b) of the clause 3 (iii) of the Order are not applicable ;
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system with regards to purchases of the inventory and fixed assets and sale of goods and services. The management of the holding company is in process of further strengthening the internal controls over documentation in certain areas so as to make it commensurate with the size of the covered companies and the nature of its business. During the course of our audit, we have not observed any other area of continuing failure to correct major weakness in internal controls;
- v. In our opinion and according to the information and explanation given to us, covered companies has not accepted deposits from the public and therefore, the provisions contained in sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under are not applicable to the covered companies. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India

- or any Court or any other Tribunal;
- vi. The Central Government has prescribed maintenance of cost records under section 148(1) of the Act in respect of certain service activities of the covered companies. We and other respective statutory auditor have broadly reviewed the accounts and records of respective companies in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same;
- vii. (a) According to the information and explanations given to us and based on the records produced before us, the covered companies has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax, cess and other statutory dues applicable to it and no undisputed amount payable in respect of outstanding statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us, there are no outstanding disputed dues payable by the covered companies in case of income tax, wealth tax, sales tax, duty of customs, service tax, duty of excise, value added tax and cess as on March 31, 2015;
- (c) According to the information and explanation given to us, no amounts were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder. Therefore, the provisions of sub-clause (c) of the clause 3 (vii) of the Order relating to transfer of amount to investor education and protection fund are not applicable;
- viii. On a consolidated basis, the Holding Company and its subsidiary have accumulated losses as at the end of financial year which are more than fifty percent of the Net worth of the Group and have neither incurred cash losses in the financial year ended on March 31, 2015 nor in the immediately preceding financial year;
- ix. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that none of the covered companies have defaulted in repayment of dues to the financial institutions and banks;
- x. According to the information and explanations given to us, none of the covered companies have given any guarantee for loans taken by others from banks or financial institutions;
- xi. Based on information and explanation given to us and based on overall review of the funds utilization, we are of the view that the covered companies have generally utilized funds for which they were obtained; and
- xii. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the covered companies has been noticed or reported during the course of audit by respective auditor of the covered companies.

FOR G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No.104767W

ATUL SHAH
Partner
Membership No. 039569

Mumbai
Dated: May 25, 2015

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015
CIN : L65910MH1984PLC034514

in ₹

Particulars	Notes	As at March 31,	
		2015	2014
<u>EQUITY AND LIABILITIES</u>			
Shareholders Funds			
Share Capital	2.01	81,000,000	80,000,000
Reserves and Surplus	2.02	(99,365,904)	(68,210,451)
Minority Interest		905,671	7,825,542
Non-Current Liabilities			
Long-Term Borrowings	2.03	14,341,378	14,624,763
Deferred Tax Liability (Net)	2.04	1,015,495	2,018,093
Long-Term Provisions	2.05	1,568,520	1,859,888
Current Liabilities			
Short-Term Borrowings	2.06	-	888,072
Trade Payables	2.07	117,756,796	66,648,321
Other Current Liabilities	2.08	18,723,027	24,021,635
Short-Term Provisions	2.05	101,408	187,254
		136,046,390	129,863,117
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.09	36,880,324	37,804,219
Intangible Assets	2.10	7,844,497	12,059,105
Capital Work In Progress		95,480	623,712
Non-Current Investments	2.11	124,500	121,000
Long-Term Loans and Advances	2.13	21,547,630	20,342,471
Trade Receivables	2.12	3,194,272	1,948,461
Other Non-Current Assets	2.14	4,804,233	3,755,502
Current Assets			
Inventories	2.15	11,250	87,916
Trade Receivables	2.12	28,181,156	32,859,589
Cash and Bank Balances	2.16	17,734,483	6,055,476
Short-Term Loans and Advances	2.13	15,185,572	13,796,273
Other Current Assets	2.14	442,993	409,393
		136,046,390	129,863,117
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the financial statements.			

As per our report of even date

For and on behalf of the Board of Directors

For G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No. 104767W

ATUL SHAH
Partner
Membership No. 039569

Place: Mumbai
Dated: May 25, 2015

SAMSON JESUDAS
Managing Director
Din: 02539442

BASANT HARITWAL
Chief Financial Officer

Place: Mumbai
Dated: May 25, 2015

MILIND KARNIK
Director
Din: 00037127

DILIP VAIDYA
FCS - 7750
Company Secretary &
Compliance Officer

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2015
CIN : L65910MH1984PLC034514

in ₹

Particulars	Notes	Year ended March 31,	
		2015	2014
INCOME			
Revenue from Operations	3.01	162,802,780	162,764,123
Other Income	3.02	808,356	1,068,677
		163,611,136	163,832,800
EXPENDITURE			
Purchase of Stock-In-Trade	3.03	322,825	490,465
Changes in inventory of stock in trade	3.04	76,666	(27,466)
Operational Expenses	3.05	128,446,263	132,144,792
Employee Benefits Expense	3.06	19,633,424	21,520,205
Other Expenses	3.07	36,426,034	35,904,714
		184,905,212	190,032,710
Profit / (Loss) before Finance cost, Depreciation, Amortization and Tax		(21,294,076)	(26,199,910)
Depreciation and Amortization	3.08	10,850,165	10,895,583
Finance Cost	3.09	2,139,601	309,667
Profit / (Loss) before Prior Period Items, Exceptional items and Tax		(34,283,842)	(37,405,160)
Prior Period Adjustments (Net)	3.10	-	87,204
Exceptional Items		(2,552,044)	-
Provision for Doubtful Advances / Investments		-	3,389,627
Profit / (Loss) before Tax		(31,731,798)	(40,881,991)
Tax Expenses:			
Deferred Tax		(468,923)	(385,185)
Net Profit / (Loss) for the Year		(31,262,875)	(40,496,806)
Minority Interest		1,200,621	1,941,685
Net Profit / (Loss) for the Year from the Continuing Operation		(30,062,254)	(38,555,121)
Earnings per equity share (nominal value of share ₹ 10 each) from Continuing and Total operation	4.10		
Weighted Average Number of Shares - Basic		8,053,425	8,000,000
Earning / (Loss) Per Share (in ₹) - Basic		(3.73)	(4.82)
Weighted Average Number of Shares - Diluted		8,053,425	8,000,000
Earning / (Loss) Per Share (in ₹) - Diluted		(3.73)	(4.82)
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the financial statements.			
As per our report of even date			
For and on behalf of the Board of Directors			
For G. M. KAPADIA & CO. Chartered Accountants Firm Registration No. 104767W			
ATUL SHAH Partner Membership No. 039569	SAMSON JESUDAS Managing Director Din: 02539442	MILIND KARNIK Director Din: 00037127	
	BASANT HARITWAL Chief Financial Officer	DILIP VAIDYA FCS - 7750 Company Secretary & Compliance Officer	
Place: Mumbai Dated: May 25, 2015	Place: Mumbai Dated: May 25, 2015		

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015
CIN : L65910MH1984PLC034514

in ₹

	2014-2015		2013-2014	
	Amount	Amount	Amount	Amount
1 CASH FLOW FROM OPERATING ACTIVITIES:				
NET PROFIT / (LOSS) BEFORE TAX PRIOR PERIOD		(30,531,177)		(38,940,305)
ADJUSTMENTS				
Non Cash Charges			10,895,583	
Depreciation \ Amortisation	8,298,121		1,094,397	
Assets Written off.	-		35,210	
Preliminary Exp. Written off	31,550		(1,941,685)	
Minority Interest	(1,200,621)		11,750,000	
Provision for Bad Debts	13,600,000		3,389,627	
Provision for Doubtful Advances / Investments	-		(240,380)	
Sundry balance written back	-		9,361	
Sundry Advances Written Off	-		251,024	
(Profit) / loss on sale of Fixed Assets net	(157,187)		(394,308)	
Provision for diminution in value of investments	58,000		147,980	
Interest Income	(443,114)			
Interest Expense	2,139,601			
		22,326,350		24,996,809
Operating Profit Before Change in Working Capital		(8,204,827)		(13,943,496)
Change in Working Capital				
(Increase) / Decrease in Inventories	76,666		(27,466)	
(Increase) / Decrease in Trade Receivable	(10,167,378)		(2,753,089)	
(Increase) / Decrease in Loans & Advances	(3,766,418)		(2,846,974)	
Increase / (Decrease) in Liabilities & Provisions	48,200,410		39,126,214	
		34,343,280		33,498,685
Cash Generated from Operations		26,138,453		19,555,189
Taxes Paid (Net)		(5,352,969)		(7,184,636)
Net Cash flow /(used in) Operating activity		20,785,484		12,370,553
2 CASH FLOW FROM INVESTING ACTIVITIES:				
Interest received	64,690		48,523	
Proceeds for sale of Fixed Assets	242,536		88,048	
Purchase of Fixed Assets	(7,228,937)		(6,362,130)	
Payment towards Capital Advances	-		16,000	
Proceeds of non-current investments	679,986			
Purchase of Investments	(3,500)			
Net cash flow from / (used in) Investing activity		(6,245,225)		(6,209,559)
3 CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Fresh Capital	1,100,000		-	
Short term borrowing (net)	(888,072)		(3,503,078)	
Loan term borrowing repaid	(253,593)		(385,507)	
Interest charges	(2,139,601)		(147,980)	
Net cash flow from / (used in) Financing activity		(2,181,266)		(4,036,565)
Net increase in Cash and Cash equivalent		12,358,992		2,124,429
Cash & Cash equivalents at the beginning of year		5,375,490		3,251,061
Cash & Cash equivalents at the end of year		17,734,483		5,375,490
Components of cash and cash equivalents				
Balances with banks:				
In Current Accounts		14,591,787		1,568,769
Cash in hand		3,142,696		3,806,721
Total cash and cash equivalents		17,734,483		5,375,490

Note:

- Above Statement has been prepared by using Indirect method as per AS-3 on Cash Flow Statements.
- Cash and Cash equivalents represent "Cash Balance in hand and Balances with Schedule Banks". Cash & Cash equivalents at the beginning of the year and at the end of the year also includes Fixed Deposits pledged as securities.

As Per Our Report Of Even Date

For G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No. 104767W

ATUL SHAH
Partner
Membership No. 039569

Place: Mumbai
Dated: May 25, 2015

For and on behalf of the Board of Directors

SAMSON JESUDAS
Managing Director
Din: 02539442

BASANT HARITWAL
Chief Financial Officer

Place: Mumbai
Dated: May 25, 2015

MILIND KARNIK
Director
Din: 00037127

DILIP VAIDYA
FCS - 7750
Company Secretary & Compliance Officer

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

1. Significant Accounting Policies and Notes on Accounts to Consolidated Financial Statements

These Significant Accounting policies and notes to accounts form part of the Consolidated Financial Statements for the year ended March 31, 2015. The consolidated financial statement comprises of Hathway Bhawani Cabletel and Datacom Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), its associates and jointly controlled entities (as defined in the Companies (Accounting Standards) Rules, 2006).

Company Overview

Hathway Bhawani Cabletel 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 engaged in distribution of television channels through analog and digital cable distribution network and internet services through cable. Its equity shares are listed on Bombay Stock Exchange Limited (BSE) in India.

1. Basis of preparation

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

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

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except to the extent stated in point 2 below.

2. Change in Accounting Policy

In the current year, the Company changed, with retrospective effect, its method of providing depreciation on certain fixed assets from the Written Down Value (WDV) method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line (SLM) method at the rates derived from the useful life stated in Schedule II to the Act. The above change is in case of all fixed assets except Internet access devices at customer's location. In case of later, depreciation is provided over 8 years on SLM. Refer note no. 4.11 also.

3. Principles of Consolidation

The consolidated financial statements are prepared in accordance with Accounting Standard 21 – “Consolidated Financial Statements”, Accounting Standard 23 – “Accounting for Investment 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 unrealized 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.

4. Use of Estimates

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

5. Fixed Assets

(a) Tangible Assets

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

(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. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.
- (iii)** Intangible assets comprises of Cable Television Franchise, Goodwill and Software's. Cable Television Franchisee represents purchase consideration of a network that is mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.

6. Depreciation / Amortization

- (a)** Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful life as prescribed in Schedule II to the Act, unless otherwise specified.
- (b)** Depreciable amount for assets is the cost of an asset less its estimated residual value.
- (c)** In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- (d)** The cost of STBs and Internet Access Devices at customers location are depreciated on straight-line method over a period of eight years
- (e)** Assets costing less than ₹ 5,000/- is fully depreciated in the year of purchase.
- (f)** The intangible assets are amortized on a straight line basis over their expected useful lives as follows:
 - (i)** Cable Television Franchise is amortized over a period of twenty years.
 - (ii)** Software's are amortized over the license period and in absence of such tenor,

over five years.

- (g) Goodwill is amortized over the specific tenure of the relevant agreement and in absence of such tenure, over five years.

7. Investments

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

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

(a) Long Term Investments

Long-term investments in shares are stated at cost. 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.

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.

8. Inventories

Inventories are valued as follows:

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

9. Borrowing Cost

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.

10. Provisions, Contingent Liabilities And Contingent Assets

- (a) A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the balance sheet date. Provisions are reviewed on each balance sheet date and are adjusted to effect the current best estimation.

- (b) Contingent liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of:

- (i) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- (ii) a possible obligation, unless the probability of outflow of resources is remote.

(c) Contingent Assets are neither recognized nor disclosed.

11. 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 is 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.

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.

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.

13. Revenue Recognition

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

Income from Services

- (a) Subscription income includes subscription from Subscribers / Cable Operators relating to cable TV, Internet, activation of devices and from broadcasters relating to the placement of channels. Revenue from Operations is recognized on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties.
- (b) Revenue from prepaid Internet Service plans, which are active at the end of accounting period, is recognized on time proportion basis. In other cases of prepaid Internet Service plans, entire revenue is recognized in the period of sale.
- (c) Subscription Income from Cable TV Operators, is accrued monthly based on number of connections declared by the said operators to the Company. In cases where revision of number of connections and / or rate is under negotiations at the time of recognition of revenue, the Company recognizes revenue as per invoice raised. Adjustments for the year, if any, arising on settlement is adjusted against the Revenue. Other cases are reviewed by the management periodically and provision for doubtful debts is made wherever ultimate realization is considered uncertain.
- (d) 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.

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.

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.

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 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.

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 a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets are reflected at the recoverable amount.

17. 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.

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.

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

in ₹

2.01 SHARE CAPITAL	As at March 31,	
	2015	2014
	Rupees	Rupees
Authorised Capital 10,000,000 (March 2014: 10,000,000) Equity Shares of face value of ₹ 10 each fully paid-up	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed(fully paid) & Paid up Capital 8,100,000 (March 2014: 8,000,000) Equity Shares of ₹ 10 each fully paid-up	81,000,000	80,000,000
	81,000,000	80,000,000

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

Particulars	As at March 31,			
	2015		2014	
	Number	Amount	Number	Amount
Shares Outstanding at the Beginning of the year	8,000,000	80,000,000	8,000,000	80,000,000
Shares Issued during the year	100,000	1,000,000	-	-
Shares Bought back/ Other movements during the year	-	-	-	-
Shares Outstanding at the End of the year	8,100,000	81,000,000	8,000,000	80,000,000

b) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Particulars	As at March 31,	
	2015	2014
	No. of Shares Held	No. of Shares Held
Hathway Cable & Datacom Ltd - Holding Company	2,020,000	1,920,000
Hathway Media Vision Private Limited (100% subsidiary of Holding Company)	2,160,000	2,160,000
	4,180,000	4,080,000

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

Name of Shareholder	As at March 31,			
	2015		2014	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Hathway Cable & Datacom Limited	2,020,000	24.94%	1,920,000	24.00%
Mr. Kuldeep Puri	504,339	6.22%	504,339	6.30%
Hathway Media Vision Private Limited	2,160,000	26.67%	2,160,000	27.00%

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

The Company has issued only one class of shares referred to as equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share and proportionate amount of dividend if declared to the total number of shares. 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.

in ₹

2.02 RESERVES AND SURPLUS	As at March 31,	
	2015	2014
	Rupees	Rupees
Securities Premium Reserve Balance at the beginning of the year Add: Securities premium credited on Share issue Less: Deductions during the year Balance at the end of the year	15,000,000 100,000 - 15,100,000	15,000,000 - - 15,000,000
Surplus/ (Deficit) In the Statement of Profit and Loss Balance at the beginning of the year Add: Net Profit / (Loss) after tax for the current year Less : Loss of control of subsidiary Less : Adjustment relating to transitional provision contained in Schedule II (Refer Note No. 4.11) Deficit in the Statement of Profit and Loss	(83,210,451) (30,062,254) 230 (1,193,430) (114,465,905) (99,365,904)	(44,655,330) (38,555,121) - - (83,210,451) (68,210,451)

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

in ₹

2.03 LONG-TERM BORROWINGS	Non - Current As at March 31,		Current As at March 31,	
	2015	2014	2015	2014
Secured Loans Vehicle Loans from Financial Institutions	75,930	359,315	283,385	253,593
LOANS AND ADVANCES FROM RELATED PARTIES Unsecured Loan From Holding Company	14,265,448	14,265,448	-	-
Amount disclosed under the head 'Other Current Liabilities' (Note No.2.08)	-	-	283,385	253,593
Net Amount	14,341,378	14,624,763	-	-
Nature of Security and terms of repayment for secured borrowings:				
Nature of Security	Terms of Repayment			
Loan from Financial Institution (i) Vehicle Loans from Financial Institution amounting to ₹359,315 (March 31, 2014: ₹612,907) are secured by Hypothecation of Vehicle.	Principal repayable in 60 equal monthly installments along with Interest. Applicable Rate of Interest is 11% /10.75% .1st installment due from Nov.2010/ June.2011.			
Unsecured Loan (ii) Loan from Holding company amounting to ₹1,42,65,448 (March 31, 2014: ₹1,42,65,448)	The unsecured loan is repayable on demand on or after April 1, 2016. Applicable Rate of Interest is 13.5% p.a.			

in ₹

2.04 DEFERRED TAX LIABILITY	As at March 31,	
	2015	2014
Deferred Tax Assets Provision for Gratuity Disallowances Under The Income Tax Act 1961 Income earned during the pre-commencement period	330,357 185,651 237,267	362,116 270,451 237,267
(A)	753,275	869,834
Deferred Tax Liabilities Difference between book and tax depreciation	1,768,770	2,887,927
(B)	1,768,770	2,887,927
Net Deferred Tax Liabilities (A-B)	1,015,495	2,018,093
In the absence of virtual certainty of availability of taxable business income in near future against which the deferred tax assets can be adjusted, the Company has not recognized deferred tax assets on unabsorbed depreciation and business losses.		

in ₹

2.05 PROVISIONS	Long Term As at March 31,		Short Term As at March 31,	
	2015	2014	2015	2014
Provision for employee benefits Gratuity Leave Encashment	1,011,740 556,780	1,096,953 762,935	57,377 44,031	74,944 112,310
	1,568,520	1,859,888	101,408	187,254

in ₹

2.06 SHORT-TERM BORROWINGS	As at March 31,	
	2015	2014
Secured Loans repayable on demand Cash Credit - Bank of Maharashtra	-	888,072
	-	888,072

Nature of Borrowing	Nature of Security
Cash Credit from Bank of Maharashtra ₹ Nil (March 31, 2014: ₹ 888,072)	Secured against Hypothecation of Book Debts, Headend Equipments and Fixed Deposit of ₹33.61 Lakhs

in ₹

2.07 TRADE PAYABLES	Long Term As at March 31,		Short Term As at March 31,	
	2015	2014	2015	2014
Trade Payables*	-	-	117,756,796	66,648,321
	-	-	117,756,796	66,648,321

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

in ₹

2.08 OTHER CURRENT LIABILITIES	Long Term As at March 31,		Short Term As at March 31,	
	2015	2014	2015	2014
Current maturities of Long Term Debts (Refer Note No.2.03)	-	-	283,385	253,593
Payable - Capital Expenditure	-	-	1,218,372	4,003,921
Overdrawn Bank Balance as per Books	-	-	-	1,507,797
Security Deposits Received	-	-	5,231,308	5,538,818
Other Payables Income received in advance	-	-	4,312,010	3,958,112
Statutory Payables	-	-	2,009,138	3,302,565
Payables to Employees	-	-	3,384,379	3,211,411
Other Liabilities	-	-	2,284,435	2,245,418
	-	-	18,723,027	24,021,635

in ₹

	-----Gross Block (at Cost) ----->				<--- Depreciation/Amortisation/Impairment--->				<---Net Block--->		
	As at 1-Apr-14	Additions during the year	Deductions during the year	As at 31-Mar-15	As at 1-Apr-14	Adjustment for Change in Dep Policy	Additions during the year	Deductions during the year	Others Adjustment	As at 31-Mar-15	As at 31-Mar-14
2.09 TANGIBLE ASSETS											
Plant and Machinery	91,382,743	3,324,550	399,539	94,287,754	57,219,914	(2,320,758)	5,289,750	317,378	1,458,629	61,330,157	34,142,929
Air conditioners	1,105,996	209,000	153,505	1,161,491	561,980	181,952	155,818	150,745	80,665	829,610	544,016
Structural Fittings	108,275	-	-	108,275	108,275	(17,318)	10,286	10,286	-	101,243	7,032
Furniture & Fixtures	4,827,197	920,222	1,330,361	4,417,058	3,997,181	7,994	255,632	1,330,360	54,682	2,985,129	830,016
Mobile,Pager & Telephone	478,619	16,650	-	495,269	366,591	32,151	18,445	13,300	43,945	461,132	112,028
Computers	3,730,278	194,945	13,300	3,911,923	2,990,862	(110,388)	271,628	13,300	(32,376)	3,106,426	739,416
Office Equipment	877,146	115,504	20,307	972,343	477,329	192,215	78,731	20,307	123,300	851,267	399,817
Electrical Fittings	323,404	-	-	323,404	224,855	30,053	30,723	-	-	285,632	98,548
Vehicles	3,008,189	15,200	4,741	3,018,648	2,070,640	(547,945)	348,544	4,313	(1,680)	1,865,245	937,549
Total	105,821,847	4,795,071	1,921,753	108,696,165	69,017,627	(2,552,044)	6,459,557	7,485,499	1,727,105	71,815,841	37,804,219
Previous year	108,186,917	6,553,896	8,918,986	105,821,847	69,015,898	-	6,487,230	7,485,499	68,017,627	37,804,219	39,171,024

	Gross Block (at Cost)				Depreciation/Amortisation/Impairment				Net Block		
	As at 1-Apr-14	Additions during the year	Deductions during the year	As at 31-Mar-15	As at 1-Apr-14	Adjustment for Change in Dep Policy	Additions during the year	Deductions during the year	Others Adjustment	As at 31-Mar-15	As at 31-Mar-14
2.10 INTANGIBLE ASSETS											
Cable TV Franchisee	26,346,020	-	-	26,346,020	18,992,646	-	1,317,301	-	-	20,309,347	7,353,374
Goodwill	15,147,081	-	-	15,147,081	10,602,944	-	3,029,412	-	-	13,632,356	4,544,137
Computer softwares	624,660	176,000	-	800,660	463,066	-	43,895	-	-	506,961	161,594
Total	42,117,761	176,000	-	42,293,761	30,058,656	-	4,390,608	-	-	34,449,264	12,059,105
previous year	42,217,761	-	100,000	42,117,761	25,750,303	-	4,408,353	100,000	-	30,058,656	164,467,458

	0 to 5 years	Total WDV
1) Range of remaining period of amortisation of Intangible Assets is as below:		
Cable Television Franchisee	6,036,073	6,036,073
Goodwill	1,514,725	1,514,725
Software	293,699	293,699

92

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

in ₹

2.11 NON-CURRENT INVESTMENTS	As at March 31,		As at March 31,	
	2015		2014	
	Quantity	Rupees	Quantity	Rupees
Others				
Government and trust securities				
Unquoted Investment in Government Securities				
NSC (Pledged with Government Authorities)	-	124,500	-	121,000
	-	124,500	-	121,000
Aggregate amount of quoted investments		-		-
Market Value of Quoted Investments		-		-
Aggregate amount of unquoted investments		124,500		121,000
Aggregate provision for diminution in value of investments		-		-

in ₹

2.12 TRADE RECEIVABLES	Non - Current		Current	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Unsecured (considered good to the extent not provided for)				
Unsecured, considered good	33,778,404	-	28,181,156	32,859,589
Doubtful	-	20,796,517	-	-
	33,778,404	20,796,517	28,181,156	32,859,589
Less: Provision for Doubtful Receivables	30,584,132	18,848,056	-	-
	3,194,272	1,948,461	28,181,156	32,859,589

in ₹

2.13 LONG-TERM LOANS AND ADVANCES	Long Term		Short Term	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
<u>CAPITAL ADVANCES</u>				
Unsecured, considered good unless stated otherwise				
Advance for Network Acquisitions	4,389,627	10,131,627	-	-
	4,389,627	10,131,627	-	-
Less: Provision for doubtful advances	4,389,627	4,389,627	-	-
	-	5,742,000	-	-
<u>SECURITY DEPOSITS</u>				
Unsecured, considered good				
Security Deposits	3,377,384	2,933,784	-	-
	3,377,384	2,933,784	-	-
<u>OTHER LOANS AND ADVANCES</u>				
Secured, considered good				
Unsecured, considered good unless stated otherwise				
Prepaid expenses	-	-	370,012	1,286,182
Staff Advances	-	-	1,011,631	319,798
Sundry Advances	-	-	3,206,395	221,522
Service Tax Claimable	-	-	2,621,673	8,385,758
Taxes Paid (Net of Provision)	18,170,246	11,666,687	1,517,838	2,668,428
Cenvat Receivable	-	-	6,458,023	914,585
	18,170,246	11,666,687	15,185,572	13,796,273
	21,547,630	20,342,471	15,185,572	13,796,273

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

in ₹

2.14 OTHER ASSETS	Non - Current		Current	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Unsecured, considered good unless stated otherwise				
Fixed Deposit with Bank (Refer Note No. 2.16)	4,113,411	3,370,187		-
Others	157,745	192,955		3,660
Interest accrued but not due	533,077	192,360	442,993	405,733
	4,804,233	3,755,502	442,993	409,393

in ₹

2.15 INVENTORIES (Lower of cost or net realizable value)	As at March 31,	
	2015	2014
	Rupees	Rupees
Stock-in-Trade		
CATV - Set Top Boxes	11,250	87,916
	11,250	87,916

in ₹

2.16 CASH AND BANK BALANCES	Non - Current		Current	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Cash & Cash Equivalents				
Balance with Bank				
In Current Accounts	-	-	14,591,787	1,568,769
Cash on hand	-	-	3,142,696	3,806,721
	-	-	17,734,483	5,375,490
Other Bank Balance				
Fixed Deposits with original maturity greater than 3 months	4,113,411	3,370,187	-	679,986
	4,113,411	3,370,187	-	679,986
Less: Amount disclosed under non current asset (Note No.2.14)	4,113,411	3,370,187	-	-
	-	-	17,734,483	6,055,476

1) Out of the above Fixed deposits with Bank of Maharashtra, deposits of ₹ 751,971 (March 31, 2014: ₹ 637,380) is given as security against outstanding bank Guarantees and deposits of ₹ 3,361,440 (March 31, 2014: ₹ 3,361,440) is given as security against cash credit limit with the said bank.

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

in ₹

3.01 REVENUE FROM OPERATIONS	Year ended March 31,	
	2015	2014
Sale of services		
Subscription Income	161,945,687	161,314,912
Advertisement Fees	360,541	417,631
Rental Income on Equipments	409,285	472,457
	162,715,513	162,205,000
Sale of products		
Sale of Access Devices	87,267	436,686
	87,267	436,686
Other operating revenues		
Other Operational Income	-	122,437
	-	122,437
	162,802,780	162,764,123

in ₹

3.02 OTHER INCOME	Year ended March 31,	
	2015	2014
Interest on Fixed Deposits	430,667	394,308
Interest on Government Securities	12,447	12,551
Interest on Income Tax Refund	-	264,047
Amount No Longer Payable Written Back	-	240,380
Profit on sale of Assets	157,187	-
Miscellaneous Income	208,055	157,391
	808,356	1,068,677

in ₹

3.03 PURCHASE OF STOCK-IN-TRADE	Year ended March 31,	
	2015	2014
Purchase of Access Device	322,825	490,465
	322,825	490,465

in ₹

3.04 CHANGES IN STOCK-IN-TRADE	Year ended March 31,	
	2015	2014
Changes in Stock-in-Trade	76,666	(27,466)
	76,666	(27,466)

in ₹

3.05 OPERATIONAL EXPENSES	Year ended March 31,	
	2015	2014
Bandwidth and Lease Line Cost	10,062,253	12,771,006
Consultancy Charges	902,100	1,877,600
Commission	5,323,357	294,486
Feed charges	41,939,443	20,024,060
Other Operating Expenses	11,538,011	7,650,959
Pay Channel Cost	46,102,332	73,518,520
Repairs and Maintenance (Plant and Machinery)	1,676,957	2,115,624
Rent	4,358,340	4,117,175
Software and Programming Cost	83,677	67,201
Digital STB Subscription Expense	6,300,000	9,500,490
Hire Charges	159,793	173,380
Transport Charges	-	34,291
	128,446,263	132,144,792

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

in ₹

3.06 EMPLOYEE BENEFITS EXPENSE	Year ended March 31,	
	2015	2014
Salaries and Bonus	17,386,117	20,019,892
Contribution to provident and other fund	1,505,631	1,286,855
Staff Welfare	741,676	213,458
	19,633,424	21,520,205

in ₹

3.07 OTHER EXPENSES	Year ended March 31,	
	2015	2014
Advertisement and Promotion expenses	69,861	65,533
Business Promotion Expenses	1,766,898	310,717
Communication Charges	613,430	703,631
Conveyance	2,800,123	3,357,228
Electricity Expenses	2,604,820	3,002,951
Insurance Charges	191,186	101,739
Legal and Professional Charges	534,947	468,590
Assets w/off	-	1,094,397
Loss on disposal / shortage of assets	-	251,024
Miscellaneous Expenses	1,051,760	474,251
Printing and Stationery	640,152	704,309
Preliminary Exp. Written Off	31,550	35,210
Rates and taxes	5,828,284	5,855,601
Rent - Offices	247,000	236,900
Repairs and Maintenance (Others)	179,167	503,860
Service Charges	1,487,512	2,159,733
Office Expenses	4,179,212	4,296,940
Sundry Advances Written Off	-	9,361
Interest on Taxes	2,132	48,739
Auditor's Remuneration		
Statutory Audit Fees	275,000	275,000
Taxation Matters	50,000	50,000
Sitting Fees	215,000	149,000
Provision for Bad and Doubtful debts	13,600,000	11,750,000
Provision for bad & doubtful advances / investments	58,000	-
	36,426,034	35,904,714

in ₹

3.08 DEPRECIATION AND AMORTIZATION	Year ended March 31,	
	2015	2014
Depreciation on Tangible Assets	6,459,557	6,487,230
Amortisation of Intangible Assets	4,390,608	4,408,353
	10,850,165	10,895,583

in ₹

3.09 FINANCE COST	Year ended March 31,	
	2015	2014
Interest and Finance Charges	1,992,500	147,980
Bank Charges	147,101	161,687
	2,139,601	309,667

in ₹

3.10 PRIOR PERIOD ADJUSTMENT	Year Ended March 31,	
	2015	2014
Expenses of earlier years debited to Statement of profit & loss	-	92,770
Reversal of income of earlier years debited to Statement of profit & loss	-	285,495
Total Debit (A)	-	378,265
Income of earlier year credited to Statement of profit & loss	-	81,516
Reversal of Expense earlier years credited to Statement of profit & loss	-	209,545
Total Credit (B)	-	291,061
Net Debit / (Credit) to Statement of Profit & Loss Amount (A-B)	-	87,204

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

in ₹

4.1 List of Subsidiary held directly and Company's effective Ownership

Subsidiary directly held and Company's effective Shareholding therein	Date of Investment	31st March 2015	31st March 2014
Hathway Bhawani NDS Network Private Limited	13.10.2010	51.00%	51.00%
Hathway Bhawani Sai Network Pvt. Ltd.	03.11.2011	0%	1% *

* The company is consolidated on account of Board control.

4.2 Additional Information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as Subsidiary / Associates / Joint Ventures.

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
Hathway Bhawani Cabletel and Datacom Limited	110.59%	(19,308,540)	95.84%	(28,812,630)
Subsidiaries				
Indian				
Hathway Bhawani NDS Network Private Limited	-5.40%	942,636	8.15%	(2,450,244)
Minority interests in all subsidiaries	-5.19%	905,671	-3.99%	1,200,620
	100.00%	(17,460,233)	100.00%	(30,062,254)

4.3 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, Loans & Advances, Trade Receivables and all other 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.

4.4 Capital and Other Commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for aggregate to ₹ Nil (March 31, 2014: ₹ Nil).

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.

4.5 Contingent Liabilities

(a) Claims against the Company not acknowledged, as debts are ₹ 2,100,000 (March 31, 2014: ₹ 2,100,000)

(b) Outstanding Bank Guarantees ₹ 1,200,000 (March 31, 2014: ₹ 1,200,000)

4.6 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:

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

	Category	As at 31st March 2015	As at 31st March 2014
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	1,171,897	1,345,639
	Current Service Cost	191,788	191,541
	Interest Cost	124,001	121,000
	Benefits Paid	(576,351)	(460,445)
	Actuarial (Gain) / (Loss)	157,782	(25,838)
	Past Service Cost		
	Projected benefit obligations at end of the year	1,069,117	1,171,897
2	Change in plan assets:		
	Contributions by Employer	576,351	460,445
	Benefits Paid	(576,351)	(460,445)
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Present value of the defined benefit obligations at the end of the year	1,069,117	1,171,897
	Liability / (Asset) recognised in the Balance Sheet	1,069,117	1,171,897
4	Cost for the year		
	Current Service Cost	191,788	191,541
	Interest Cost	124,001	121,000
	Actuarial (Gain) / (Loss)	157,782	(25,838)
	Net Cost recognised in the Profit and Loss Account	473,571	286,703
5	Assumptions		
	Interest rate for discount	9.75%	9.35%
		0%	0%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	7%	7%

a) Defined Contribution Plans:

"Contribution to provident and other funds" is recognised as an expense in Note No.3.6 of the Statement of Profit and Loss.

Benefits	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	1,069,117	1,171,897	1,345,639	998,157	823,795
Plan assets	-	-	-	-	-
Surplus/(Deficit)	(1,069,117)	(1,171,897)	(1,345,639)	(998,157)	(823,795)
Experience adjustment on obligation - gain/(loss)	(5,579)	164,277	25,477	22,827	(6,412)
Experience adjustment on plan assets - gain/(loss)	-	-	-	-	-
Experience adjustment (best estimate) to funded plans in subsequent finance year	-	-	-	-	-

4.7 Segmental Reporting

The Company has only one reportable segment. The Company's operations are based in India.

4.8 Related Party Disclosure

I. Controlled by:

a. Hathway Cable & Datacom Ltd.

II. Other related parties with whom the Company had transactions.

a. Mr. Samson Jesudas (Managing Director with effect from June 1, 2014)

b. Mr. Kuldeep Puri (Managing Director- upto May 31, 2014)

c. Mr. Kulbhushan Puri as Karta of M/s Kulbhushan Puri HUF - (Relative of Managing Director upto May 31, 2014)

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

in ₹

Description	Enterprises where Control exists	Key Management Personnel	Relatives of Key Management Personnel
1. Remuneration paid - Mr. Kuldeep Puri	- (-)	480,000 (1,440,000)	- (-)
2. Consultancy paid - Mr. Kulbhushan Puri HUF	- (-)	- (-)	500,000 (1,500,000)
3. Reimbursement of expenses paid - Mr. Kuldeep Puri	- (-)	71,822 (307,256)	- (-)
Mr. Kulbhushan Puri HUF	- (-)	- (-)	116,949 (409,262)
4. Purchase of assets/STB Hathway Cable & Datacom Ltd.	- (490,667)	- (-)	- (-)
5. Advertisement revenue/Placement Fees Hathway Cable & Datacom Ltd.	51,340,000 (5,610,000)	- (-)	- (-)
6. Other transaction/ Lease Rent CMTS Hathway Cable & Datacom Ltd.	55,855,063 (29,163,704)	- (-)	- (-)
7. ISP Access Expenses Hathway Cable & Datacom Ltd.	4,907,239 (6,145,186)	- (-)	- (-)
8. Outstanding balance: -Sundry Creditors Hathway Cable & Datacom Ltd.	68,694,792 (33,292,414)	- (-)	- (-)
-Unsecured Loan Hathway Cable & Datacom Ltd.	14,265,348 (14,265,348)	- (-)	- (-)
- Outstanding liability for expenses Mr. Kuldeep Puri	- (-)	94,000 (216,000)	- (-)
Mr. Kulbhushan Puri HUF	- (-)	- (-)	- (120,258)

4.9 Leases

The Company has leasing arrangements in terms of Accounting Standard 19 on "Leases as applicable. These leasing arrangements, which are cancellable, range between 11 month to 33 months and are usually renewable by mutual consent on mutually agreeable terms. The amount of such lease rentals Expenses debited to the Statement of Profit and Loss ₹ 4,358,340/- (March 31, 2014: ₹ 4,117,175/-).

4.10 Earnings Per Share

Particulars	2014-15	2013-14
Profit \ (Loss) after tax (including prior period adjustment and adjustment for short provision of earlier years) – (₹)	(30,062,254)	(38,555,122)
No. of ordinary shares (No.'s)	8,053,425	8,000,000
Nominal value of ordinary shares (₹)	10	10
Basic & Diluted Earnings per share (₹)	(3.73)	(4.82)

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

(a) This change has resulted in net surplus of ₹ 2,552,044 (March 31, 2014 ; ₹ Nil) and is disclosed under as Exceptional Items. Had the Company continued to use the earlier method of depreciation, the debit to the statement of profit and loss after tax for the current period (year to date) would have been lower by ₹ 457,306 (March 31, 2014 ; ₹ Nil)

(b) Based on transitional provision provided in Note 7(b) of Schedule II to the Act, the charge to retained earnings in respect of assets having no useful life as on the effective date, net of deferred tax is ₹ 1,727,105 (March 31 2014 ; ₹ Nil).

4.12 Supplementary statutory information required to be given pursuant to Clause 32 of the listing agreement -Nil.

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

As per our report of even date

For and on behalf of the Board of Directors

For G. M. KAPADIA & CO.
Chartered Accountants
Firm Registration No. 104767W

ATUL SHAH
Partner
Membership No. 039569

Place: Mumbai
Dated: May 25, 2015

SAMSON JESUDAS
Managing Director
Din: 02539442

BASANT HARITWAL
Chief Financial Officer

Place: Mumbai
Dated: May 25, 2015

MILIND KARNIK
Director
Din: 00037127

DILIP VAIDYA
FCS - 7750
Company Secretary & Compliance Officer

MGT-11

PROXY FORM

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

hathw@ybhawani

Hathway Bhawani Cabletel & Datacom Limited

CIN: L65910MH1984PLC034514

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

Tel: 91-22-26001306 Fax: 91-22-26001307 E-mail: investors.bhawani@hathway.net

31st Annual General Meeting – 25th September 2015

Name of the Member(s) :	
Registered Address :	
Email Id :	
Folio No. / Client ID :	
DP ID :	

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name: _____ E-mail Id: _____
Address: _____
Signature: _____

or failing him

2. Name: _____ E-mail Id : _____
Address: _____
Signature: _____

or failing him

3. Name: _____ E-mail Id : _____
Address: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual general meeting of the company, to be held on Friday, 25th September, 2015 at 3.00 p.m. at Ground Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai 400 098 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resoluti on No.	Particulars	Voting		
		For	Against	Abstain
	Ordinary Business			
1	Adoption of audited Balance Sheet, Profit & Loss Accounts, Report of Directors Report and Auditors Report for the financial year ended 31 st March 2015.			
2	To ratify the appointment of M/s. G. M. Kapadia & Co., Chartered Accountants as Auditors of the Company.			
SPECIAL BUSINESS				
3	To appoint Ms. Nandita Swamy (DIN: 03181823) as an Independent Director upto 30 th March, 2020			
4	To appoint Mr. Shyam P V (DIN: 07247247) as the Director of the Company.			
5	To appoint Mr. Vineet Garg (DIN: 06935347) as the Director of the Company.			

Signed this _____ day of _____ 2015

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix revenue
Stamp of Re. 1/-

Note:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
- 2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.*

ATTENDANCE SLIP

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

hathw@ybhawani

Hathway Bhawani Cabletel & Datacom Limited

CIN: L65910MH1984PLC034514

Rahejas, 4th Floor, Corner of V. P. Road and Main Avenue Road, Santacruz (East)

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

E-mail: investors.bhawani@hathway.net

Registered Folio No./DP ID No. / Client ID No.;	
Name and address of the Member(s) Joint Holder 1 Joint Holder 2	
Number of Shares held:	

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

I hereby record my presence at the 31st Annual General Meeting of the Company at Ground Floor, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai 400 098 on Friday, 25th, September, 2015 at 3.00 p.m.

Name of the member / proxy

Signature of member / proxy

Note:

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

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

EVSN (Electronic Voting Sequence Number)	*Default PAN
150818029	

*Only Member who have not updated their PAN with Company / Depository Participant shall use default PAN in the Pan field.

Note: Please read the instructions printed in the Notice of 31st Annual General Meeting dated 12th August, 2015. The Voting period starts from Tuesday, 22nd September, 2015 at 10.00 am and ends on Thursday, 24th September, 2015 at 5.00 pm. The voting module shall be disabled by CDSL for voting thereafter

THIS PAGE IS KEPT BLANK

HATHWAY BHAWANI CABLETEL AND DATACOM LIMITED
'Rahejas', 4th Floor, Corner of Main Avenue & V.P. Road,
Santacruz (West), Mumbai – 400054
Tel: 91-22-26001306 Fax: 91-22-26001307
CIN: L65910MH1984PLC034514
Email: investors.bhawani@hathway.net