



Hathway Cable & Datacom Limited

51st Annual Report 2010-2011



Digital TV



Broadband



Channels



Cable TV

Board of Directors

Mr. Bharat Shah	<i>Chairman</i>
Mr. Rajan Raheja	<i>Director</i>
Mr. Akshay Raheja	<i>Director</i>
Mr. Viren Raheja	<i>Director</i>
Mr. K. Jayaraman	<i>Managing Director & CEO</i>
Mr. Vinayak Aggarwal	<i>Director</i>
Mr. Jagdishkumar G.	<i>Director</i>
Mr. Uday Shankar	<i>Director</i>
Mr. Brahma Vasudevan	<i>Additional Director</i>
Mr. Sasha Mirchandani	<i>Director</i>
Mr. Sridhar Gorthi	<i>Director</i>
Mr. Devendra Shrotri	<i>Director</i>

Company Secretary

Mr. Milind Karnik	<i>President - Finance & Company Secretary</i>
-------------------	--

Registered Office

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

Statutory Auditors

G. M. Kapadia & Co.
Chartered Accountants

Advocates & Solicitors

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

Bankers

Axis Bank Limited
ICICI Bank Limited
Yes Bank Limited

Registrar & Transfer Agent

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

Contents	Page Nos.
Notice	2
Directors Report	7
Management Discussion & Analysis	24
Report on Corporate Governance	26
Standalone Auditors' Report	36
Standalone Balance Sheet	40
Standalone Profit & Loss Account	41
Standalone Cash Flow Statement	42
Schedules	44
Consolidated Auditors' Report	83
Consolidated Balance Sheet	84
Consolidated Profit & Loss Account	85
Consolidated Cash Flow Statement	86
Schedules to Consolidated Financial Statements	88
Attendance Slip & Proxy Form	

Notice

NOTICE is hereby given that the Fifty First Annual General Meeting of the Company will be held on Tuesday, 27th day of September, 2011, at 3.00 p.m. at ISKONS Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400 049, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Viren Raheja, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Uday Shankar, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Jagdish Kumar G, who retires by rotation at the ensuing Annual General Meeting and who has not offered himself for re-appointment:

"RESOLVED THAT pursuant to the provisions of Section 256 and other applicable provisions of the Companies Act, 1956, if any, Mr. Jagdish Kumar G., who retires by rotation at the ensuing Annual General Meeting and who has not offered himself for re-appointment, hereby ceases to be a director of the Company with immediate effect and that the vacancy created by the cessation of the said director be not filled up."

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

"RESOLVED THAT the retiring Statutory Auditors, M/s. G. M. Kapadia & Co, Chartered Accountants, (Registration No. 104767W) who being eligible, have offered themselves for re-appointment, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting at a remuneration to be mutually agreed between the Board of Directors and the Statutory Auditors."

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Brahmal Vasudevan, who was appointed as an Additional Director of the Company with effect from 9th May, 2011 pursuant to the provisions of Section 260 of the Companies Act, 1956 (the said Act) and in accordance with the Article 32 of the Articles of Association of the Company and to hold office up to the date of the ensuing Annual General Meeting of the Company and for whose appointment, the Company has received a notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Brahmal Vasudevan, for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, whose period of office shall be subject to retirement by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto (including any statutory modification or enactment thereof) and subject to the Central Government approval and such other approval(s) of such other authorities as may be necessary

and as recommended by the Remuneration Committee of the Board of Directors, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. K. Jayaraman as the Managing Director & CEO of the Company with effect from 27th September 2011 till 7th August, 2013, at a remuneration as stated herein below, with liberty to the Board of Directors to alter and vary terms and conditions from time to time:

➤ Salary:

Proportionately for the period 27.09.2011 to 07.08.2012: at the rate of Rs.1.50 crores per annum (excluding gratuity & leave encashment at the end of the tenure) but including salary, allowances, company's contribution to provident fund, superannuation fund or annuity fund

From 08.08.2012 to 07.08.2013: Rs.1.75 crores per annum (excluding gratuity & leave encashment at the end of the tenure) but including salary, allowances, company's contribution to provident fund, superannuation fund or annuity fund

In addition to the above, subject to achievement of targets such as ebidta, broadband revenue, organic revenue growth and achievement of digital rollout targets, the Board of Directors may at their discretion approve performance incentive, as may be decided, however not exceeding 1.50 times the above mentioned fixed salary.

- The Managing Director & CEO shall be provided with a car and driver for Company's business. The Company shall reimburse actual entertainment and travelling expenses incurred by the Managing Director & CEO, in connection with the Company's business.

- The Managing Director & CEO shall be entitled to sitting fees at the rate of Rs.20,000/- per meeting for attending the meetings of the Board of Directors.

RESOLVED FURTHER THAT in the event of absence or inadequacy of net profit in any financial year during the tenure of the Managing Director & CEO, the aforesaid remuneration shall be payable to the Managing Director & CEO as minimum remuneration subject to approval of Central Government, if required.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things as in their absolute discretion they may consider necessary, expedient or desirable to give effect to this resolution or otherwise considered by them in the best interest of the Company."

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

"RESOLVED THAT subject to the provisions of Section 309 (5B) and all other applicable provisions if any, of the Companies Act 1956, and subject to the approval of the Central Government, consent of the shareholders of the Company be and is hereby accorded for waiver of the excess remuneration of Rs. 23,62,405/- paid to Mr. K. Jayaraman, Managing Director & CEO for the period from 26th August, 2009 to 07th February, 2010 and the sitting fees of Rs. 1,20,000/- from 26th November 2009 till 12th August 2011 paid to Mr. K. Jayaraman, Managing Director & CEO of the Company.

RESOLVED FURTHER THAT the shareholders of the Company convey their irrevocable no objection for waiver of

the aforesaid excess payment of remuneration made to Mr. K. Jayaraman, Managing Director & CEO of the Company.

RESOLVED FURTHER THAT the Company do file necessary application in eform No. 25A with Central Government/ Ministry of Corporate Affairs and the same be supported with detailed justification with regard to circumstances in which the excess payment was made and such other information as may be deemed prudent.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Company Secretary be and is hereby authorized to sign the above application and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

BY ORDER OF THE BOARD

MILIND KARNIK

President – Finance & Company Secretary

REGISTERED OFFICE:

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

Place: Mumbai

Date: 12th August, 2011

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND, AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the meeting. Proxies submitted on behalf of the companies, etc, must be supported by appropriate resolution/authority, as applicable.
3. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
4. The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
5. The Register of the Members and the Share Transfer Books of the Company will remain closed from, Thursday, 22nd September 2011 to Tuesday, 27th September 2011 (Both days inclusive).
6. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out all material facts and the statement of particulars of Directors seeking appointment/ re-appointment, as required under Clause 49 of the Listing Agreement are annexed hereto.
7. Members are requested to bring their copy of Annual Report and attendance slip to the meeting.
8. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold in physical form are requested to write their folio number in the attendance slip.

Members who would like to receive notices, letters, annual

reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent in respect of shares held in physical form and with respective Depository Participants (DP) where the shares are held in dematerialized form. Shareholders holding shares in physical form can send their email address for registration to rnt.helpdesk@linkintime.co.in quoting the Folio Number and Name of the Company.

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

Item No. 6

Mr. Brahma Vasudevan was appointed as an Additional Director of the Company with effect from 09th May, 2011. Pursuant to the provisions of Section 260 of the Companies Act, 1956 and in accordance with the Article 32 of the Articles of Association of the Company, Mr. Brahma Vasudevan shall hold office up to the date of the ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Brahma Vasudevan, for the office of a Director of the Company.

None of the Directors, except Mr. Brahma Vasudevan, is interested or concerned in the aforesaid Resolution. Your Directors recommend the above resolution for your approval.

Item No. 7

The Shareholders of the Company at the Annual General Meeting held on 28th September 2010, approved the re-appointment and payment of remuneration to Mr. K. Jayaraman, Managing Director & CEO for the period from 08th August, 2010 to 07th August, 2013. The Company also made an application to the Central Government pursuant to the provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 for approval to re-appointment of Mr. K. Jayaraman as the Managing Director & CEO of the Company on the terms and conditions approved by the members. In response to the said application made by the Company, the Central Government vide its letter No. B00153478/2/2011-CL VII dated 18th May 2011 directed the Company for submission of certain requirements for granting approval to the said application. The Company is in process of submission of the said requirements to the Central Government as per the aforesaid letter.

Further, as per the above referred letter of the Central Government, it has specified that the approval to the appointment of the Managing Directors & CEO is up to the date of ensuing Annual General Meeting. Hence, it is proposed to seek the approval of members for re-appointment of Mr. K. Jayaraman as the Managing Director & CEO of the Company from the date of this Annual General Meeting till the residual period up to 07th August, 2013.

Disclosures as prescribed under Schedule XIII – Part II– Section II (B)

I. General Information:

- a. **Nature of Industry:** Analog & Digital cable television services, Broadband Internet Access and allied services.
- b. **Date of Incorporation:** August 7, 1959.
- c. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions, appearing in the prospectus:** Not Applicable

d. **Financial performance based on the indicators:**

(in lakhs)

Particulars	2010-11	2009-10	2008-09
Income	49,496.08	40,676.20	40,438.33
Expenditure	53,312.49	48,964.59	50,679.72
Profit before Tax	(3,816.41)	(8,288.39)	(10,241.39)
Provision for current Tax	-	-	2.18
Provision for earlier Tax	-	-	-
Provision for Deferred Tax	-	-	-
Provision for Fringe Benefit Tax	-	-	103.75
Profit after Tax	(3,816.41)	(8,288.39)	(10,347.31)

e. **Export Performance and net foreign exchange collaborations:** Nil

f. **Foreign investment or collaborations, if any:** Nil

II. **Information about the appointee:**

1. **Background details**

Mr. K. Jayaraman, age 50 years, has been with the Company since 1998, initially appointed as CEO and Director and later appointed as Managing Director & CEO. He has a B. Com degree from the University of Madras and qualified as a Chartered Accountant. After completing his professional qualification, Mr. Jayaraman was employed as an Audit Officer at Lovelock & Lewes, Chartered Accountants, in Mumbai. Subsequently he moved on to work as Project Officer in ICICI and worked with ICICI Limited for a period of 5 years in various functions including as Project Officer. In 1992, he joined Citicorp Securities Limited as Head of Credit. In 1993, he joined Hathway Investments Private Limited as General Manager. Between 1996 and 1998, he worked as Head of Finance in H&R Johnson (India) Limited. He has 25 years of combined work experience in audit, banking, manufacturing and media industries.

2. **Past remuneration**

Fiscal 2011: Rs.98.04 Lacs.

3. **Recognition or awards**

During Mr. Jayaraman's tenure as the Managing Director & CEO, the Company has been voted as "Best MSO/Cable Operator of the Year" in India 6 out of 7 years by Indian Telly Awards.

4. **Job profile and his competence**

The business of the Company shall be managed by the Managing Director & CEO subject to the superintendence, control and directions of the Board of Directors and he shall carry out such duties as stated below and as may be entrusted to him by the Board from time to time.

In the discharge of such duties and in exercise of such powers, Managing Director & CEO shall observe and comply with all lawful and proper resolutions, regulations and directions from time-to-time made or given by the Board of Directors. He shall review the

periodical budgets and business plans of the Company, to be placed before the Board of Directors. He shall represent the Company before all judicial, quasi-judicial, regulatory, statutory and other bodies as a part of routine working. He shall periodically review the business operations of the Company and shall be in charge of the overall management and entrusted with the substantial power of the management subject to the supervision of the Board of Directors of the Company.

5. **Period of Service**

The tenure as Managing Director & CEO is upto 7th August, 2013.

6. **Remuneration**

Salary Structure for the period 27th September 2011 to 7th August, 2013 subject to approval of Central Government

➤ **Salary:**

Proportionately for the period 27.09.2011 to 07.08.2012: at the rate of Rs.1.50 crores per annum (excluding gratuity & leave encashment at the end of the tenure) but including salary, allowances, company's contribution to provident fund, super annuation fund or annuity fund.

From 08.08.2012 to 07.08.2013: Rs.1.75 crores per annum (excluding gratuity & leave encashment at the end of the tenure) but including salary, allowances, company's contribution to provident fund, super annuation fund or annuity fund.

In addition to the above, subject to achievement of targets such as ebdita, broadband revenue, organic revenue growth and achievement of digital rollout targets, the Board of Directors may at their discretion approve performance incentive, as may be decided, however not exceeding 1.50 times the above mentioned fixed salary.

➤ The Managing Director & CEO shall be provided with a car and driver for Company's business. The Company shall reimburse actual entertainment and travelling expenses incurred by the Managing Director & CEO, in connection with the Company's business.

➤ The Managing Director & CEO shall be entitled to sitting fees at the rate of Rs. 20,000/- per meeting for attending the meetings of the Board of Directors.

7. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**

S.I. No.	Particulars	Designation	Financial Year	Amount in Rs. Crores
1	Hinduja Ventures Limited			
	A.P. Hinduja	Executive Chairman	2010-11	1.49
2	Wire and Wireless Limited			
	Sudhir Agarwal	CEO	2010-11	1.50

8. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

None

III. Other Information

Reasons for inadequate profits, steps taken for improvement & projected earnings:

The Company is making cash profit, however because of the depreciation and amortization, the profit after tax is negative. As the Company is in an expansion stage with implementation of Digital Addressable Cable TV system and broadband, the depreciation is on the higher side.

The Company proposes to acquire the last mile from the cable operators and rapidly expand its Digital Cable TV services and the broadband internet access business. Both these segments have better EBITDA margins.

The Telecom Regulatory Authority of India (TRAI) has recently recommended a four phase digitization for the industry. It anticipates digitization to commence from 31st March 2012 (Phase I: covering Four metros of Delhi, Mumbai, Kolkata and Chennai) and thereafter covering the entire nation by 31st December 2014. Cable TV is expected to reap the benefits of mandatory digitization. The Company is well positioned to support the Government's policy for Mandatory Cable Digitization and is expected to improve margin in coming years.

The Company is expected to have growth in terms of its business plans.

Your Directors seek your approval for appointment and payment of the remuneration to Mr. K. Jayaraman for the period from 27th September 2011 to 7th August, 2013, as a special resolution under Item 7 and recommend the resolution for approval of the Members.

This may be treated as an abstract of terms and conditions of the contract of appointment of Mr. K. Jayaraman as Managing Director & CEO of the Company, pursuant to Section 302 and Section 192A of the Act.

None of the Directors of the Company except Mr. K. Jayaraman is concerned or interested in the Resolution.

Item No. 8

The Company has made an application to the Central Government for the re-appointment and payment of remuneration to Mr. K. Jayaraman as Managing Director & CEO of the Company from 08th August, 2010 to 07th August, 2013. The Central Government vide its letter No. B00153478/2/2011-CL VII dated 18th May 2011 approved the appointment of the Managing Director & CEO till the date of ensuing Annual General Meeting. The Central Government vide above referred letter also instructed the Company to either recover the excess remuneration paid to the Managing Director & CEO during the period from 26th August, 2009 to 07th August, 2010 or to make an application u/s 309(5B) for the waiver of recovery of the excess remuneration.

The Board of Directors of the Company at their meeting held on 26th April 2007 approved the appointment of Mr. K. Jayaraman as the Managing Director & CEO for the period of three years from 8th February 2007 to 7th February 2010. However, at the time of appointment of the Managing Director & CEO, since the Company was a Private Limited Company, the relevant provisions of the Companies Act, 1956 related to appointment and payment

of remuneration to the Managing Director were not applicable. However, during the tenure of the Managing Director & CEO, the Company was subsequently converted into Public Limited Company with effect from 26th August 2009.

At the time of conversion of the Company on 26th August 2009, the earlier term of Mr. K. Jayaraman as Managing Director & CEO was in existence and there was no change/modification in terms of the then existing appointment of Mr. K. Jayaraman, and hence the Company continued to pay remuneration at the agreed terms till 7th February, 2010.

After the completion of the aforesaid tenure, the Company paid remuneration to the Managing Director & CEO as per the limits prescribed under Schedule XIII part II Section II (B) of the Act for the period 7th February, 2010 to 7th August, 2010. Hence, there was no payment of excess remuneration during the period from 7th February, 2010 to 7th August, 2010.

Further your Company is proposing to make an application to the Central Government for waiver of sitting fees paid for attending the meetings of Board of Directors held from the conversion of the Company till the date of this notice.

In view of the above and as recommended by the Remuneration Committee of the Board of Directors, it is proposed to waive the excess remuneration paid to Mr. K. Jayaraman for the period 26th August, 2009 to 07th February, 2010 and sitting fees paid for the aforesaid period.

As per the provisions of Section 309(5B) of the Companies Act, 1956, approval of the shareholders would be necessary for waiver of excess remuneration paid to the Managing Director & CEO. Hence the said resolution is placed for your approval.

The Board of Directors recommends the aforesaid resolution as a special resolution for the approval of members.

None of the Directors of the Company, except Mr. K. Jayaraman, is interested or concerned in this resolution.

BY ORDER OF THE BOARD

MILIND KARNIK

President – Finance & Company Secretary

REGISTERED OFFICE:

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

Place: Mumbai

Date: 12th August, 2011

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

Sr. No.	Name	Nature of appointment	Date of Birth	Date of Appointment on the Board	Qualification & expertise	Experience	List of other Companies in which he holds Directorships as on 31/03/2011 *	Chairman/member of Committees of the Board of the other Companies in which he is director as on 31/03/2011 **	Equity Shares held in the Company
1	Mr. Viren Raheja	Re-appointment	13-06-1984	28-03-2008	B.Com, MBA from London Business School,	Director in diversified industries including Cable TV, Retailing, Petrochemicals, Real Estate and Software Development	Supreme Petrochem Limited (Alternate Director) Asianet Satellite Communications Limited Sonata Software Limited Innovassynth Technologies (India) Limited	Member of audit committee in Asianet Satellite Communications Limited Member of Investor's Grievance Committee of Supreme Petrochem Ltd	23,910,600
2	Mr. Uday Shankar	Re-appointment	16-09-1961	09-09-2009	M. Phil in economics from the University of Delhi & graduate in Journalism from the Times of India Media School	Has vast experience in media industry. He was head of the news channel "Aaj Tak". Subsequently he briefly served as the chief executive officer of the Star News channel and as the Head of Sahara TV's news television channel business. He joined Star TV India as its CEO in 2006 and oversees all Star TV's business ventures in India	Asianet Communications Limited Tata Sky Limited	Nil	Nil
3	Mr. Brahmaj Vasudevan	Re-appointment	16-10-1968	09-05-2011	MBA from the Harvard Business School and graduated with first class honours in aeronautical engineering from Imperial College in London	He is a Managing Director at ChrysCapital Investment Advisors. He was previously Director of Marketing at ASTRO, a leading DTH operator in Southeast Asia. Prior to that, Mr. Vasudevan was with British American Tobacco ("BAT") where he was an International Marketing Manager based in the Global Brand Group in London. Before moving to the United Kingdom, he held various positions in BAT Malaysia	JMT Auto Limited	Nil	Nil

Note:

*Private Companies and Foreign Companies are not included

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

DIRECTORS' REPORT

Dear Members,

We hereby present the Fifty First Annual Report to the Members together with the Audited Statement of Accounts for the Financial Year ended March 31, 2011.

Financial Highlights

(Rs. In Lacs)

Particulars	Consolidated		Standalone	
	2010-11	2009-10	2010-11	2009-10
Operating & Other Income	90,667.94	73,998.18	49,496.08	40,676.20
Gross Operating Profit before interest, depreciation, amortization & taxes	17,384.57	13,224.62	11,104.73	7,421.62
Interest	4,498.23	5,562.02	3,863.77	5,090.97
Loss/(Gain) on Foreign Exchange Fluctuations	(148.65)	(59.72)	(115.56)	(51.96)
Depreciation & Amortization	12,488.40	11,112.36	9,463.74	8,861.53
Impairment of Tangible / Intangible Assets	270.30	176.77	270.30	176.77
Exceptional Items (Provision for doubtful advances/ investments/ receivables from entities under control or significant influence/ impairment and write off of assets in respect of operations in Tamil Nadu/ depreciation written back)	1,434.80	1,488.61	1,438.89	1,632.70
Provision for Taxation – Current Tax & Deferred Tax	1,204.36	1,562.07	--	--
Net Loss	(2,362.88)	(6,617.49)	(3,816.42)	(8,288.40)
Cumulative Loss carried to Balance Sheet after adjustments	(49,353.17)	(46,226.48)	(49,945.24)	(45,914.02)

Operations

During the year under review, the total income of your Company was Rs. 49,496.08 Lacs on standalone basis and Rs. 90,667.94 Lacs on consolidated basis as compared to the last year's total income of Rs. 40,676.20 Lacs on standalone basis and Rs. 73,998.18 Lacs on Consolidated basis respectively. The Net Loss after taxation and Exceptional Items has come down and stood at Rs. 3,816.42 Lacs on standalone basis and Rs. 2,362.88 Lacs on consolidated basis.

Variation in utilization of fund raised through Initial Public Offer

Out of the total amount raised through the Initial Public Offer (IPO) of the Company, Rs. 28,760.48 Lacs have been utilized as

of March 31, 2011 in accordance with the objects set out in the 'Objects of the Issue' section in the Prospectus for Initial Public Offer of the Company. During the Financial Year 2010-11 the Telecom Regulatory Authorities of India (TRAI) had recommended to the Ministry of Information & Broadcasting the digitalization plan that involves introduction of digital cable services across India. Considering the change in business environment, it was thought appropriate to pursue digitalization more aggressively than hitherto planned in our original Objects of the Issue and to reduce the debts by way of repayment of certain high cost debts.

In view of the above, the members of the Company had approved the variation in utilization of funds raised through Initial Public Offer through postal ballot in terms of provisions of Section 192A of the Companies Act, 1956, read with provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 on 21st June, 2011.

Dividend

In view of loss incurred during the year under review and the accumulated losses, your directors express their inability to declare any dividend for the year under review. Several measures are being taken towards increasing the revenue, cost control and to improve the profitability.

Fixed Deposits

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

Cable Distribution

During the year under review the Telecom Regulatory Authorities of India (TRAI) recommended a digitalization plan to the Ministry of Information & Broadcasting that involves introduction of digital cable services across India. The digital plan is meant to improve consumer viewing experience in terms of number of Channels, providing digital quality to the consumers as against current analogue picture quality, to curb the revenue leakage at various level and ultimately to increase transparency in reporting numbers. The Company is planning to implement additional services like High Definition (HD), Video-on-Demand (VOD), Pay-per-View (PPV), Games-on-Demand, etc. to more effectively compete with Direct to Home (DTH) and Internet Protocol Television (IPTV).

As per the report of Media Partners Associates (MPA) 2011, out of 239 million homes in India, 147 million homes have TV set, with 61% CATV penetration. According to MPA estimates, digital cable is expected to reach 34 million homes by 2020. Digital cable share will reach about 33% which is about at 6% levels in 2011. Larger number of channels, better picture quality, choice of audio and other value added services are expected to be key drivers of digital cable in the country. Digital cable will face challenge from DTH players in coming years. MSO are better placed to counter DTH players, their key strengths like affordable pricing, prompt customer support, niche local content and local area offices for consumer interface will help them to grow faster on digital platform.

Hathway has a reach of approximately 8.4 million Cable TV homes for its analogue CATV services. We have over 15,000 kilometers of hybrid fiber optic cable which is spread over 140 Cities & Towns. Hathway has commenced a rapid digitalization process and at present we have deployed close to 1.5 million digital set top boxes in CAS & Non – CAS areas. Hathway is the only MSO with focus on digitization of non – metro markets. It has established 19 digital head-ends in the country.

Internet Market

India has around 11.89 million broadband subscribers as on 31st March 2011. Broadband has registered a quarterly growth of 8.17% and year-on-year growth of 35.49%. Cable modem subscribers' accounts for only 4% that is only 0.801 million internet subscribers. Cable provides big potential for growth of broadband penetration in the country considering the cable universe of 95 million CATV homes.

Hathway is the largest MSO offering broadband services in 21 cities. Hathway is Category "A" Internet Service Provider (ISP) providing broadband services to retail and corporate segments in various states. Hathway has 14,32,937 homes ready for catering for internet services. As of 31st March 2011, Hathway has 3,48,345 internet subscribers with all India rank of 5th largest ISP player in the country. Hathway has market leadership in terms of reach, revenues and subscribers. With high quality & high capacity network, Hathway is well placed to garner large share of growing broadband market. Amongst private sector, Hathway is India's 2nd largest wired broadband service provider. According to the latest TRAI report, Hathway Broadband wins the top spot in overall quality of service in Mumbai. Hathway is the first ISP to introduce the Simply Unlimited plans for retail customers. Your Company has started offering value added services like Web products (e.g. website builder, domain name registration etc), online tutorials with Topper learning to our customers and soon we will be adding more services like games on demand, movies on demand and security solutions (anti virus).

Directors

After the end of the financial year under review, Mr. Brahmal Vasudevan, Director, resigned from the Board of your Company. Your Directors place on record their appreciation on the valuable services rendered by Mr. Brahmal Vasudevan and the guidance received from him during his tenure as a Director. Mr. Brahmal Vasudevan was appointed as an additional independent director on the Board of Directors of your Company with effect from 9th May 2011. The Company has received the notice along with requisite deposit, from the member pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of Directors of the Company.

Pursuant to the provisions of Section 255 read with Section 256 of the Companies Act, 1956, Mr. Viren Raheja and Mr. Uday Shankar, Directors would retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. Mr. Jagdish Kumar G., Director, who also retires by rotation at the ensuing Annual General Meeting, has not offered himself for reappointment.

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

Personnel

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

Employees Stock Option Plan

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

this Report.

The options outstanding under the Employees Stock Option Plan 2007 (Revised 2010) at the end of the year stood at 7,69,999 after lapse/forfeiture of 1,09,500 options.

Subsidiaries

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

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

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

The requirement of disclosures in terms of Section 217(1) (e) of the Companies Act, 1956, pertaining to the conservation of energy and technology absorption is not applicable to the Company.

During the year under review, your Company has incurred a total expenditure on foreign exchange amounting to Rs. 317.10 Lacs as compared to the last year's expenditure of Rs. 610.72 Lacs.

Like last year, your Company has not earned any Foreign Exchange Income during the year under review.

Audit Committee

A committee of the Board of Directors called 'Audit Committee' was reconstituted on 23rd October 2010 comprising of Mr. Bharat Shah, Mr. Viren Raheja, Mr. Sasha Mirchandani, Mr. Sridhar Gorthi and Mr. Devendra Shrotri, Directors of the Company. The Audit Committee reviews and lays down the basic Audit norms, rules and regulations and Audit Policies which are made applicable to the Company. The Audit Committee will function subject to the superintendence and direction of the Board of Directors and the recommendations made by the Audit Committee are mandatory in nature.

Directors' Responsibility Statement

Your Directors in compliance of Section 217 (2AA) of the Companies Act, 1956 confirm that in the preparation of the annual accounts for the year ended March 31, 2011:

- a) the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) the Company has selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2011 and the loss of the Company for the year;

- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts of the Company has been prepared on a going concern basis.

Corporate Governance & Management Discussion and Analysis Report

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

Auditors

M/s. G. M. Kapadia & Co, Chartered Accountants, the Statutory Auditors, shall retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. Your Directors recommend their re-appointment.

Comments on Auditors' Report

Your Auditors have made some observations in the annexure (i) (b) to their report on verification of distribution equipments. Your Directors state that the Company has reconciled the book stock of Cable TV and Internet Access Devices with physical stock and there was no significant difference, which though not dealt with in the books of accounts does not have any material impact.

Acknowledgements

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

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai
Date: August 12, 2011

CHAIRMAN

Annexure to the Directors Report

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

Summary of Status of Options

Hathway Employee Stock Option Plan 2007 (Revised 2010)

a) Total number of options granted	10,45,500
b) Pricing Formula	exercise price would be INR 110.20 and INR 157.30 per share
c) Options vested during the year	4,56,999
d) Options Exercised during the year	Nil
e) Total number of shares arising as result of exercise of options during the year	Nil
f) Options lapsed during the year	1,09,500
g) Variations of terms of options	As per special resolution passed at the last Annual General Meeting
h) Money realised by exercise of options	Nil
i) Total no of options in force	7,69,999

(j) Employee wise details of the options granted during the financial year 2010-11: None

- (i) Senior Managerial Personnel: None of the Senior Management Personnel were granted options during the year.

(ii) No employee has been granted options exceeding 5% of the total issued and paid up equity capital at the time of grant of option

(iii) None of the employees were granted option, during the year, equal to or exceeding 1% of the issued capital.

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

Kindly refer note no. B (22) of Schedule N to the financial account

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

The Company has calculated the employee compensation cost using the fair value of the stock options. Kindly refer note no. B (15) of Schedule N to the financial accounts

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

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

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

Sr. No.	PARTICULARS	Channels India Network Pvt. Ltd.	Vision India Network Pvt. Ltd.	Liberty Media Vision Pvt. Ltd.	Ideal Cables Pvt. Ltd.	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Bee Network & Communication Pvt. Ltd.
	Note					2	
1	Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-09	31-Mar-11
2	Date from which it becomes subsidiary	20.04.1995	07.04.1998	07.04.1998	07.04.1998	07.04.1998	07.04.1998
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	87,500	87,700	10,000	76,020	249,000	99,989
	b] Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	95.630%	100.000%	100.000%	100.000%	51.000%	100.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(36,722)	(10,600)	(52,677)	(11,043,158)	(7,335,239)	(5,500)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(20,857,640)	(17,320,299)	(16,030,148)	(14,999,575)	(8,842,299)	(10,569,929)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	Elite Cable Network Pvt. Ltd.	Binary Technology Transfers Pvt.Ltd.	Hathway Media Vision Pvt. Ltd.	UTN Cable Communication Pvt.Ltd.	ITV Interactive Media Pvt.Ltd.	Chennai Cable Vision Network Pvt. Ltd.
	Note						
1	Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	07.04.1998	07.04.1998	13.08.1998	31.05.1999	09.09.1999	30.09.1999
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010			fka United Cable Network P.L.			
a)	Number of Shares held	48,000	1,000	65,040	25,500	1,000	136,800
b)	Fully paid Shares Each of the face value of Rs.	10	100	10	10	100	10
c)	Extent of Effective Holding	80.000%	100.000%	100.000%	51.000%	100.000%	75.990%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
a)	For the Financial Year of the Subsidiary aforesaid	Nil	(22,836)	(1,883,793)	(1,410,214)	Nil	Nil
b)	For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	(274,385)	(10,994,015)	(14,384,219)	Nil	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
a)	For the Financial Year of the Subsidiary aforesaid	(9,200)	Nil	Nil	Nil	(26,108)	52,614
b)	For the Previous financial years of the subsidiary since it becomes Subsidiary	(865,083)	(16,009,137)	Nil	Nil	(4,912,035)	(16,526,044)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
a)	Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
b)	Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c)	Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
d)	Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Teletelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	Hathway Universal Cabletel & Data com Pvt. Ltd.	Win Cable Data com Pvt. Ltd.	Hathway Space Vision Cabletel Pvt. Ltd.	Hathway Software Developers Pvt.Ltd.	Hathway Nashik Cable Network Pvt. Ltd.	Hathway Cnet Pvt. Ltd.
1	Note Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	10.03.2000	15.03.2000	15.03.2000	21.03.2000	17.06.2000	27.07.2000
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	1,000	200,000	10,020	195,000	45,300	100,000
	b] Fully paid Shares Each of the face value of Rs.	100	10	10	10	10	10
	c) Extent of Effective Holding	100.000%	100.000%	100.000%	65.000%	90.060%	100.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	643,148	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	(10,386,908)	Nil	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(1,831)	355,291	(5,400)	Nil	(178,396)	(9,026)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(88,399)	(185,028,755)	(729,052)	Nil	(92,277,506)	(7,767,651)
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	Hathway United Cables Pvt. Ltd.	Hathway Internet Satellite Pvt. Ltd.	Hathway Krishna Cable Pvt. Ltd.	Hathway Mysore Cable Network Pvt. Ltd.	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	Hathway Prime Cable & Datacom Pvt. Ltd.
	Note					9	
					fka Hathway Vijaynagar Cable Network Pvt. Ltd.		fka : Hathway Cable Vision Pvt Ltd
1	Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-10	31-Mar-11
2	Date from which it becomes subsidiary	01.12.2000	01.01.2001	22.07.2002	29.11.2003	24.03.2004	03.02.2006
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	10,000	10,000	4,860,000	292,100	72,628	229,500
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	100.000%	100.000%	97.200%	63.500%	50.000%	51.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	(4,553,097)	1,563,190	1,945,486	(964,092)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	(48,747,370)	(10,498,319)	(12,520,862)	(3,796,170)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	190,293	(123,936)	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(1,189,110)	(14,687,019)	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	Hathway Gwalior Cable & Datacom Pvt. Ltd.	Hathway Digital Sahranpur Cable and Datacom Pvt. Ltd.	Hathway Enjoy Cable Network Pvt. Ltd.	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.	Hathway Jai Mata Di Sherawali Cable & Datacom Pvt. Ltd.	Hathway Latur MCN Cable & Datacom Pvt. Ltd.
	Note					1, 7 & 9	
			fka: Hathway Infonet Cable & Datacom			fka-Chandigarh Convergence Consortium Private Limited	fka: Hathway Infomedia Cable & Datacom Pvt Ltd
1	Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-10	31-Mar-11
2	Date from which it becomes subsidiary	01.05.2007	01.03.2008	07.06.2007	01.05.2007	24.08.2006	15.01.2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	10,000	10,000	10,000	10,000	800,000	51,000
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	100.000%	51.000%	100.000%	100.000%	50.000%	51.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(21,368)	(556,372)	(8,156)	Nil	Nil	(2,497,482)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(2,955,822)	(8,410,755)	(956,900)	Nil	Nil	(785,356)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	(21,382,887)	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	479,821	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	Hathway MCN Pvt. Ltd.	Hathway Sonali OM Crystal Cable Pvt Ltd	Hathway ICE Television Pvt Ltd	Hathway Bhaskar Multinet Pvt. Ltd.	Hathway Rajesh Multichannel Pvt. Ltd.	Net 9 Online Broadband Pvt Ltd
	Note						7
		(fka : Marathwada Cable Network Pvt Ltd)					
1	Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	01.06.2007	01.01.2008	15.10.2007	31.12.2007	01.10.2007	01.03.2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	510,000	51,000	102,000	598,944	122,354	5,000
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	51.000%	51.000%	51.000%	51.000%	51.000%	50.000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	453,437	7,231,453	(1,624,776)	(9,013,671)	(1,080,204)	517,185
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	1,921,202	800,230,819	2,078,104	(5,321,717)	2,129,873	137,398
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telcelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	Gujarat Telelink Pvt. Ltd.	Hathway New Concept Cable & Datacom Pvt. Ltd.	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Hathway Cable MCN Nanded Pvt. Ltd.	Hathway Palampur Cable Network Pvt. Ltd.	Hathway Mantra Cable Network Pvt. Ltd.
	Note				6		
1	Information Furnished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	12.10.2007	1-Sep-08	1-Sep-08	17-Jun-08	1-Apr-08	30-Aug-07
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	705,000	25,500	68,850	900,150	15,300	9,800
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	50.0000%	51.000%	51.000%	39.670%	51.000%	98.0000%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	99,272,318	(7,335,112)	5,190,223	(1,472,985)	(48,426)	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	198,674,917	(8,970,226)	5,360,895	(464,326)	(915,185)	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	Hathway Dattatray Cable Network Pvt. Ltd.	Hathway Bhaskar CBN Multinet Pvt. Ltd.	Hathway Bhaskar CCN Multinet Pvt. Ltd.	CCN Entertainment (India) Pvt. Ltd.	Hathway Bhawani Cabletel & Datacom Pvt. Ltd.	Hathway Bhawani NDS Network Pvt. Ltd.
	Note		3	3	3	5	8
1	Information Furnished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	13-May-09	1-Jul-08	1-Jul-08	1-Jul-08	31-Aug-09	13-Oct-10
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010			(f.k.a. Hathway Bhaskar Pagaria Multinet Pvt. Ltd.)			
	a) Number of Shares held	20,400	25,500	242,250	255,000	4,080,000	8,063
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	500
	c) Extent of Effective Holding	51.0000%	26.010%	26.010%	26.010%	51.000%	26.010%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(5,120,346)	1,587,662	1,677,437	208,108	2,045,669	(90,304)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(2,417,585)	91,462	(3,148,349)	(92,329)	440,619	Nil
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	Hathway Kokan Crystal Network Private Limtied	GTPL ANJALI CABLE NETWORK PVT. LTD	GTPL SOLANKI CABLE NETWORK PVT. LTD	GTPL ZIGMA VISION PVT. LTD	GTPL SK NETWORK PVT. LTD	GTPL VIDEO BADSHAH PVT. LTD
	Note		4	4	4	4	4
1	Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	1-Nov-11	03.02.2009	02.07.2008	20.02.2009	01.12.2008	04.08.2008
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	27,990	10,410	33,150	24,514	10,200	5,100
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	51.000%	25.50%	25.50%	35.30%	25.50%	25.50%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	(261,522)	1,110,219	569,728	36,670	299,556	1,867,584
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	(422,730)	470,238	201,593	792,004	2,621,823
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	GTPL KUTCH NETWORK PVT LTD	GTPL CITY CHANNEL PVT LTD	GTPLSMC NETWORK PVT LTD	GTPL SURAT TELELINK PVT. LTD	GTPL VISION SERVICES PVT LTD (Formerly INVISON SERVICES PVT LTD)	GTPL JAY MATAJI NETWORK PVT. LTD
1	Note	4	4	4	4	4	4
	Information Furnished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	23.01.2009	31.07.2008	22.01.2009	23.01.2009	01.10.2009	01.08.2009
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	5,100	5,100	5,100	5,100	129,592	10,000
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	25.50%	25.50%	25.50%	25.50%	31.75%	25.00%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	129,130	(4,287)	241,376	823,210	4,847,238	2,198,227
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	66,768	(35,683)	521,769	1,910,707	6,194,733	7,640
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009
- Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009
- held through subsidiary Hathway Bhaskar Multinet Private Limited
- held through subsidiary Gujarat Telelink Private Limited
- partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- held through subsidiary Hathway MCN Private Limited
- subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.
- Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	GTPL SPACE CITY PVT LTD	GTPL LINK NETWORK PVT LTD	GTPL VVC NETWORK PVT LTD	GTPL PARSHWA CABLE NETWORK PVT LTD (Formerly PARSHWA CABLE NETWORK PVT LTD)	INSIGHT CHANNEL NETWORK PVT. LTD	GTPL VIDARBHA TELE LINK PVT. LTD
	Note	4	4	4	4	4	4
1	Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	13.04.2009	15.04.2009	15.04.2009	01.10.2009	01.01.2010	01.09.2009
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010						
	a) Number of Shares held	10,200	102,000	102,000	5,732	30,000	10,500
	b] Fully paid Shares Each of the face value of Rs.	10	10	10	10	10	10
	c) Extent of Effective Holding	25.50%	25.50%	25.50%	28.66%	37.23%	25.61%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	729,173	2,086,560	233,020	893,559	502,268	(6,493,863)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(763,269)	(2,773,626)	(1,034,555)	457,816	137,061	(6,182,728)
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c						
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010						
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- 1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009
- 2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009
- 3 held through subsidiary Hathway Bhaskar Multinet Private Limited
- 4 held through subsidiary Gujarat Telelink Private Limited
- 5 partly held directly by Hathway and partly through its subsidiary Hathway Media Vision Private Limited.
- 6 held through subsidiary Hathway MCN Private Limited
- 7 subsidiary based on our Company's right to appoint majority of directors on the board of Company.
- 8 held through subsidiary Hathway Bhawani Cabletel & Datacom Pvt. Ltd.
- 9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	NARMADA CYBERZONE PVT LTD	GTPL BLUE BELL NETWORK PVT. LTD	GTPL SHIV SHAKTI NETWORK PVT. LTD	Kolkata Cable & Broadband Pariseva Limited	GTPL Dahod Television Network Private Limited
	Note	4	4	4	4	4
1	Information Furnished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	01.10.2009	01.10.2009	01.04.2009	30.06.2010	01.08.2010
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010					
	a) Number of Shares held	679,870	9,200	5,100	290,700	10,200
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	100	10
	c) Extent of Effective Holding	30.00%	46.00%	25.50%	25.50%	25.50%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c					
	a) For the Financial Year of the Subsidiary aforesaid	760,288	(2,889,084)	(7,080)	(1,550,775)	(7,179)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	(105,938)	(1,444)	(2,815)	NIL	NIL
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c					
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010					
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telcelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

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

Sr. No.	PARTICULARS	GTPL Sorath Telelink Private Limited	GTPL Shiv Network Private Limited	GTPL Jay Shantoshima Network Private Limited	Gujarat Telelink East Africa Limited
	Note	4	4	4	4
1	Information Furinished for the Financial Year Ended	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2	Date from which it becomes subsidiary	01.04.2010	1.10.2010	31.3.2011	01.06.2010
3	Shares of the subsidiary held by the holding company i.e. Hathway Cable & Datacom Ltd. and its subsidiaries (HCDL) on 31st March 2010				
	a) Number of Shares held	51,000	10,200	51,000	510
	b) Fully paid Shares Each of the face value of Rs.	10	10	10	55.565
	c) Extent of Effective Holding	25.50%	25.50%	25.50%	25.50%
4	Net Aggregate amount of the subsidiary's Profit / (Loss) not dealt with in HCDL A/c				
	a) For the Financial Year of the Subsidiary aforesaid	(337,667)	112,211	(3,773)	(4,316)
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	NIL	NIL	NIL	NIL
5	Net Aggregate amount of the subsidiary's Profit / (Loss) dealt with in HCDL A/c				
	a) For the Financial Year of the Subsidiary aforesaid	Nil	Nil	Nil	Nil
	b) For the Previous financial years of the subsidiary since it becomes Subsidiary	Nil	Nil	Nil	Nil
6	Changes in the interest of HCDL in the subsidiary company between the end of the Financial Year of the subsidiary Company and 31 st March 2010	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Material Changes between end of the Financial Year of the subsidiary Company and 31 st March 2010				
	a) Fixed Asset	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	b) Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	c) Monies Lent By Subsidiary Co.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	d) Monies Borrowed by Subsidiary for any purpose other than that of meeting Current Liability	Not Applicable	Not Applicable	Not Applicable	Not Applicable

1 Company under liquidation refer note no. B(24) of Schedule N of Financial Statements. Hence details given as per last audited accounts as on 31st Mar 2009

2 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2009

3 held through subsidiary Hathway Bhaskar Multinet Private Limited

4 held through subsidiary Gujarat Telelink Private Limited

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

6 held through subsidiary Hathway MCN Private Limited

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

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

9 Since the annual accounts for F.Y. 2010-11 are un audited. Hence details given as per last audited accounts as on 31st Mar 2010

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Cable Television forms the backbone of Television Distribution in India. It is well penetrated, particularly in urban regions. As a consequence, it has established itself as a robust mass medium for entertainment and information and is available to more than 94 million consumer households across India. This amounts to almost 64 per cent of television-owning homes in the country. As such, Cable TV remains the most prolific means of distributing television content in the country. This universe is expected to grow to over 100 million subscribers by FY 2014 and will remain the largest distribution platform relative to DTH and IPTV.

Since the current medium of cable distribution is largely analogue in nature, which is un – addressable, this leads to leakage of revenue through the value chain. Digitization/ addressability is the solution to this. On digitization, the opportunity in cable distribution revenue is expected to be Rs. 30,000 Crore annually.

Cable TV is expected to reap the benefits of mandatory digitization. The Telecom Regulatory Authority of India (TRAI) has recently recommended a four phase digitization for the industry. It anticipates digitization to commence from 31st March 2012 (Phase I: covering Four metros of Delhi, Mumbai, Kolkata and Chennai) and thereafter covering the entire nation by 31st December 2014. There remain steps prior to achieving this scheduled roll-out. Most important being amendments to the Cable Television Networks Regulation Act, 1995 which will be through legislative approvals. It is expected that mandatory digitization of Cable TV networks will have far reaching consequences for the entire media industry. It will be most important to improve the economics of Cable TV companies and broadcasters. It will also significantly enhance customer experience empowering him to pick and choose the content he/ she chooses to watch. DTH platforms of which there are six in the fray have, resorted to predatory pricing to acquire market share. These companies continue to bleed extensively. Cable TV enjoys several advantages over DTH such as Bundling with broadband services, lower Subscriber Acquisition Costs (SAC), higher channel carrying capacity, Interactivity and better quality in all weather conditions. In fact, in markets where both cable TV and DTH compete the former retains a lion's share of Pay TV customers.

Broadband Services – The TRAI has announced a National Broadband Plan (2010) with a target to reach 160 million of India's 275 million households by end 2014. This plan envisages the use of several alternate technologies which includes Fiber-to-the-Home (FTTH) and Fiber-to-the-Curb (FTTC). Hybrid fiber coaxial infrastructure plays a key role in the implementation of last mile roll out. The infrastructure deployed by the cable TV industry is therefore likely to play a key role in the success of the National Broadband Plan.

BUSINESS OVERVIEW

We are a world class cable television services / broadband service provider in India. We along with our subsidiaries and associates serve a customer universe of nearly 8.4 million subscribers. We serve this universe directly and indirectly (through local cable operators).

Some of our market leading statistics are listed below:

- Largest number of cable digital subscribers more than 1.4 million
- Largest direct points approximating to 5,80,000
- Largest cable broad band subscriber base of 3,75,000 – 45% market share

- Largest broadband enabled network 1.4 million homes

Our cable network presence is across the top 140 cities and towns. Our Broadband services are available in the top 21 cities. This national footprint is the most dominant across the industry.

The Company is supported by 71 Analogue and 19 Digital Head-ends and more than approximately 15,000 kilometers of HFC network. Approximately 90% of subscribers are in our networks by our addressable platforms.

We have earned several accolades:

- “Best cable operator of the year” by the Indian Telly Awards seven times.
- Number 1 in QoS for Broadband Services in Mumbai – TRAI (QoS) Customer Satisfaction Survey Report 2009-2010 – Mumbai Circle.

BUSINESS STRATEGY

Our business strategy is to mine our Universe effectively. We are focusing all our attention/ resources and management capabilities preparatory to mandatory digitization.

Steps being taken are as follows:

- Investing in backend infrastructure
- Working with vendors to provide our customers the best user experience.
- Closing out enhanced vendor credit limits
- Educating the local cable operators and customers
- Investing in value added services
- Improving our front end infrastructure – customer touch points
- Changing the organization ethos to be more retail focused
- Enhancing marketing and sales capabilities

We anticipate that market forces will drive cable TV players towards subsidization of STB's. The company already sources STB's on highly competitive commercial terms that include attractive financing of the same namely vendor credit. With increased volumes we feel these commercial terms could be further enhanced. We are well positioned to support the Government's policy for Mandatory Cable Digitization.

Pending mandatory digitization the focus is to invest in digitizing our customer base through “voluntary digitalisation”.

The benefits of voluntary digitalisation are as follows:

- It makes us ready for the mandatory environment and helps us iron out any glitches
- It increases the customer connect
- Enables us to charge higher ARPU's
- Gives the customer a superior experience. Prevents churn within the cable industry and to alternative technologies.

BROADBAND BUSINESS

We have invested significantly in this business in the last couple of years in the back end and front end to give the customer a superior experience. We have also strengthened our management team. We have already rolled out high bandwidth (2 Mbps and 5 Mbps) products at market leading rates. We believe that wire line distribution of broadband shall be the preferred medium of distribution for higher bandwidth requirement.

Mobile broadband which is being addressed by wireless is being effectively countered by us with Wi-Fi. Our strategy will be to increase penetration of our services in the 1.4 million homes (Subscribers 3,75,329) already passed by us. Going forward however it is our intention to grow the numbers of homes passed progressively in our universe.

REGULATION

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

PERFORMANCE REVIEW

Standalone Operating Revenue for the company for the year ended 31st March 2011 stood at 473 crores which represents a growth of 18% over the previous year. EBITDA grew from Rs. 74.6 Crore to Rs. 111.9 Crore (+50%). PAT for the year stood at a loss of Rs. 40 crore which compares with a loss of Rs. 83 Crore in the previous year.

RISKS AND CONCERNS

MARKET RISK

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

Our relationships with existing LCOs To maintain our secondary subscriber based, it is critical to maintain a healthy relationship with our LCOs in order to avoid such LCOs from considering

alternatives to our cable television services and

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

INTEREST RATE RISK

As at March 31, 2011, all of our outstanding indebtedness, Rs. 2,759 million, was subject to floating interest rates. As a result, our results of operations may be materially affected by fluctuations in interest rates. We have not entered into any hedging transactions with respect to interest rates.

HUMAN RESOURCES

An Orientation has been given to the personnel policy with emphasis on performance. The Company believes that a motivated and empowered employee base is essential in maintaining its competitive advantage. Thus the management is dedicated to the development of the expertise and knowhow of its employees and initiatives are taken to ascertain their levels of satisfaction.

CAUTIONARY STATEMENT

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

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

Corporate Governance 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. It stems from the management's mindset and cannot be regulated by legislation alone.

The Company continues to focus on good Corporate Governance, in line with local and global standards. Its primary objective 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.

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

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

2. Board of Directors

a) Composition of the Board of Directors

The Board of Directors ("Board") of the Company has an optimum combination of executive, non-executive and independent directors, who have in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board provides leadership, strategic guidance and an independent view to the Company's management. The Board comprises of One Executive Director and Eleven Non-Executive Directors. The Chairman of the Board is an Independent Director and Four Directors, of the total strength of the Board of Directors, are independent Directors. The composition of the Board and other relevant details relating to Directors for the financial year ended March 31, 2011 are as under:

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

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

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

b) Re-appointment of Directors:

Pursuant to the provisions of Sections 255 & 256 of the Companies Act, 1956, Mr. Viren Raheja, Mr. Uday Shankar and Mr. Jagdish Kumar G. Pillai shall retire by rotation at the forthcoming Annual General Meeting. Mr. Jagdish Kumar G. has not offered himself for reappointment and it is proposed to seek the approval of the members that the said vacancy be not filled up.

The Board has recommended to the shareholders the re-appointment of Mr. Viren Raheja and Mr. Uday Shankar as Directors. The detailed resume of the aforesaid proposed appointees who have offered themselves for 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 2010-11, Five (5) Board Meetings were held on 30th April 2010, 12th August 2010, 19th August 2010, 9th November 2010 and 11th February 2011. The last Annual General Meeting of the Company was held on 28th September 2010. The details of attendance of Directors in Board Meetings and the last Annual General Meeting are as follows:

Name of the Director	No. of Board Meetings Attended	Attendance at Last Annual General Meeting
Mr. Bharat Shah	4	Yes
Mr. Rajan Raheja	4	No
Mr. Akshay Raheja	5	Yes
Mr. Viren Raheja	5	Yes
Mr. K. Jayaraman	5	Yes
Mr. Vinayak Aggarwal	5	Yes
Mr. Brahma Vasudevan	4	Yes
Mr. Jagdish Kumar G. Pillai	5	Yes
Mr. Uday Shankar	2	No
Mr. Sasha Mirchandani	4	Yes
Mr. Sridhar Gorthi	4	Yes
Mr. Devendra Shrotri	5	Yes

d) Code of Conduct

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

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

3. **Audit Committee**

a) Constitution of Audit Committee:

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

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

During the Financial year 2010-11, Four Audit Committee Meetings were held on 12th May 2010, 12th August 2010, 19th August 2010, 9th November 2010 and 11th February 2011. The composition of the Audit Committee and the number of meetings attended were as under:

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

* Appointed as member w.e.f 12th August 2010.

** Appointed as member w.e.f 23rd October 2010.

c) Attendees:

The Audit Committee invites such of the Board Members, as it considers appropriate to be present at its meetings. Mr. Brahma Vasudevan and Mr. Jagdish Kumar G. Pillai, Independent Directors were invitees to meetings. The Statutory Auditors are also invited to these meetings.

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

- i) Hold discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems.
- ii) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- iii) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 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 clause (2AA) of section 217 of the Companies Act, 1956.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgement by 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. Remuneration Committee

a) Constitution of Remuneration Committee:

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

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

During the Financial year 2010-11 One (1) Remuneration Committee Meeting was held on 12th August 2010.

Committee Members Attending the Meeting	Designation	No. of Meetings Attended
Mr. Bharat Shah	Chairman	1
Mr. Akshay Raheja	Member	1
Mr. Viren Raheja	Member	1
Mr. Sridhar Gorthi	Member	1
Mr. Sasha Mirchandani	Member	1
Mr. Jagdish Kumar G. Pillai	Member	1
Mr. Brahma Vasudevan	Member	1

c) Terms of reference:

The Committee has the mandate to review and recommend compensation payable to the executive directors and senior management of the Company. It shall also administer the Company's stock option plans, if any, including the review and grant

of the stock options to eligible employees under plans. The Committee may review the performance of the Executive Directors, if any and for the said purpose may lay down requisite parameters for each of the executive directors at the beginning of the year.

d) Remuneration Policy:

i) Management Staff:

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

ii) Non-Executive Directors:

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

The Board at their Meeting held on 21st September 2009 had approved payment of sitting fees up to Rs.20,000/- (Rupees Twenty Thousand only) for each meeting of Board of Directors and Rs. 15,000/- (Rupees Fifteen Thousand only) for meeting of the Audit Committee. Details of the Sitting fees paid during the year 2010-11 are as under:

Name of the Non-Executive Director	Sitting Fees Paid (Amt. in Rs.)
Mr. Bharat Shah	1,40,000
Mr. Rajan Raheja	80,000
Mr. Akshay Raheja	1,00,000
Mr. Viren Raheja	1,75,000
Mr. K. Jayaraman	60,000
Mr. Vinayak Aggarwal	1,00,000
Mr. Brahma Vasudevan	80,000
Mr. Jagdish Kumar G. Pillai*	1,00,000
Mr. Uday Shankar*	60,000
Mr. Sasha Mirchandani	1,10,000
Mr. Sridhar Gorthi**	1,10,000
Mr. Devendra Shrotri	1,75,000
Total	12,90,000

* Payments made directly to "Star India Pvt. Ltd"

** Payments made directly to "Trilegal"

iii) Executive Directors:

Mr. K. Jayaraman, Managing Director & CEO, is the only Executive Director in the Company.

Details of remuneration paid to Executive Directors during year ended March 31, 2011 are given below:

Name of the Executive Director	Designation	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. K. Jayaraman	Managing Director & CEO	98.04 Lakhs	Nil	98.04 Lakhs

Pursuant to the approval dated 18th May 2011 received from the Ministry of Corporate Affairs for appointment and payment of remuneration to Mr. K. Jayaraman, Managing Director & CEO, the Company has initiated the process for submission of necessary documents to Central Government for their consideration and seeking final approval to the said application. The Company is also making an application to the Central Government for waiver of excess remuneration paid to Mr. K. Jayaraman for the period from 26th August, 2009 to 07th February, 2010. Necessary resolution is included in the Agenda of the Notice of ensuing Annual General Meeting for seeking approval of members for the said waiver of excess remuneration.

5. Shareholders'/ Investors' Grievance Committee

a) Constitution and Composition of Shareholders' Grievance Committee:

The Shareholders'/Investors' Grievance Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of declared dividends, etc. and take necessary steps for redressal thereof. The Committee is a Board level committee under the Chairmanship of Mr. Vinayak Aggarwal, a Non-Executive Director. No Shareholders'/Investors' Grievance Committee Meetings was held during the financial year 2010 – 11. The present composition of the Shareholders'/ Investors' Grievance Committee is as under:

Name of Director	Designation
Mr. Vinayak Aggarwal	Chairman
Mr. Viren Raheja	Member
Mr. K. Jayaraman	Member

- b) Mr. Milind Karnik, President Finance & Company Secretary is the Compliance officer of the Company.
- c) During the year 2010 – 11, the Company has received 4 grievances. There were no complaints pending as at end of the year.

Received from	Received During 2010-11	Redressed during 2010-11	Pending as on 31.03.2011
SEBI	0	0	0
NSE	1	1	0
BSE	2	2	0
NSDL/CDSL	0	0	0
Direct from Investors	1	1	0
Total	4	4	0

- d) Share Transfers in Physical Mode:

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

Year	Date	Venue	Time
2008	20.09.2008	Rahejas, 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai 400 054	11.00 am
2009	26.08.2009	Rahejas, 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai 400 054	11.00 am
2010	28.09.2010	ISKONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400 049	3.00 pm

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

Financial Year	Particulars of Special Resolutions Passed
2007-08	Nil
2008-09	<ol style="list-style-type: none"> Consolidation of 10 (Ten) equity shares of Re.1/- each into 1 (One) equity share of Rs. 10/- each. Amendment to Memorandum of Association for Increase in Authorized Capital. Amendment to Articles of Association for Increase in Authorized Capital. Conversion of company from Private Limited to Public Limited.
2009-10	<ol style="list-style-type: none"> Re appointment of Mr. K. Jayaraman as the Managing Director & CEO of the Company. Amendment to the Employee Stock Option Plan 2007.

- iii) During the year 2010 – 11, the Company has not passed any resolution by way of Postal Ballot.

7. Disclosures:

- (a) Related Party Transactions:

There are no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large except the transactions mentioned under the Section of Notes to Accounts which forms a part of the Auditors' Report for the year ended 31st March, 2011.

- (b) Compliance by the Company:

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

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

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

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

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

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

8. CEO/CFO Certification:

As required under Section V of the clause 49 of the Listing Agreement with the Stock Exchanges, the Managing/Whole Time Directors and Chief Financial Officer of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and other matters related to internal controls in the prescribed format for the year ended March 31, 2011.

9. Means of Communication :

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

10. General Shareholder Information :

a. <i>Date, time and venue of Annual General Meeting of Shareholders</i>	27th September, 2011 at 3.00 p.m. at ISKON's Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400 049.
b. <i>Dates of book closures</i>	22nd September, 2011 to 27 th September, 2011 (Both days inclusive)
c. <i>Dividend Payment</i>	Not Applicable
d. <i>Financial Calendar</i>	The Company follows April-March as its financial year. The results for every quarter beginning from April are declared as per the listing agreement.
e. <i>Listing on stock exchanges</i>	National Stock Exchange of India Limited (Code : Hathway) Bombay Stock Exchange Limited (Code : 533162) ISIN : INE 982F01028
f. <i>Listing fees</i>	Paid for F.Y. 2011-12 to both the stock exchanges wherein the shares of the Company are listed.
g. <i>Registered office</i>	"Rahejas", 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai – 400 054. Tel: (022) 26001306 Fax: (022) 26001307

h. Registrar and Share Transfer agents

Link Intime India Private Ltd.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai 400 078.
Tel : (022) 25963838
Fax : (022) 25946969

i. Share Transfer System

Shares sent for physical transfer are generally registered and returned within a period of 15-20 days from the date of receipt, if the documents are clear in all respects. The Shareholders/Investors Grievance committee of the Company meets as often as required.

j. Plant Locations

The Company does not have any manufacturing activities.

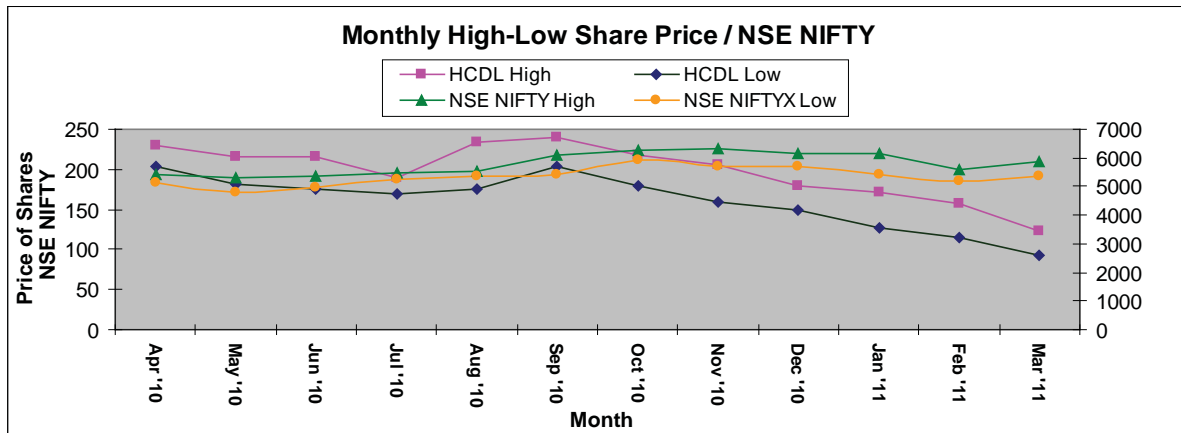
k. Stock Market price data

National Stock Exchange of India Limited

Monthly High and Low of Closing prices of the Company's Equity Shares traded at National Stock Exchange of India Limited for the financial year ended 31st March 2011 is noted below:

Month	High (Rs.)	Low (Rs.)	NSE (High)	NSE Sensex (Low)
April 2010	229.80	204.00	3517.25	2965.70
May 2010	216.00	180.55	4509.40	3478.70
June 2010	215.00	175.00	4688.95	4143.25
July 2010	189.00	170.25	4669.75	3918.75
August 2010	234.25	175.05	4731.45	4353.45
September 2010	240.00	203.20	5087.60	4576.60
October 2010	216.80	180.15	4826.10	4687.50
November 2010	205.50	160.00	5138.00	4538.50
December 2010	179.75	149.05	5221.85	4943.95
January 2011	171.00	127.00	5310.85	4766.00
February 2011	157.00	114.10	4951.15	4675.40
March 2011	123.00	93.00	5329.55	4935.35

Performance in comparison to NSE Nifty:



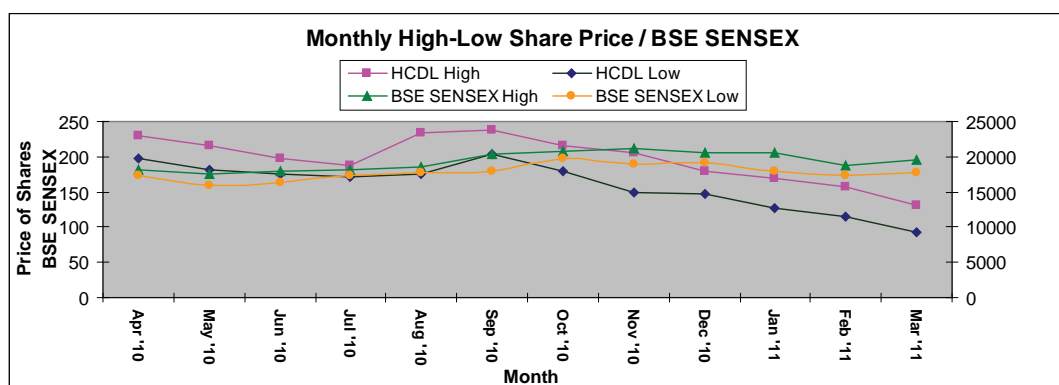
Bombay Stock Exchange Limited

Monthly High and Low of Closing prices of the Company's Equity Shares traded at Bombay Stock Exchange Limited for the financial year ended 31st March 2011 is noted below:

Month	High (Rs.)	Low (Rs.)	BSE Sensex (High)	BSE Sensex (Low)
April 2010	229.10	196.80	10,469.72	8,631.60
May 2010	216.00	181.00	9,724.87	8,619.22

June 2010	198.25	175.00	10,127.09	8,047.17
July 2010	188.50	170.50	11,492.10	9,546.29
August 2010	233.70	175.05	14,930.54	11,621.30
September 2010	237.00	203.10	15,600.30	14,016.95
October 2010	215.00	180.05	15,732.81	13,219.99
November 2010	206.00	150.00	16,002.46	14,684.45
December 2010	180.00	148.00	17,142.52	15,356.72
January 2011	170.25	126.20	17,493.17	15,805.20
February 2011	156.95	114.00	17,290.48	15,330.56
March 2011	131.10	92.65	17,530.94	16,577.78

Performance in comparison to BSE SENSEX:



I. a) Distribution of Shareholding:

Range (in Rs.)	No. of Share holders	% of Share holders	No. of Shares	% of Total Shares
1 - 5,000	12365	95.32	1,193,716	0.84
5,001 - 10,000	247	1.90	189,679	0.13
10,001 - 20,000	127	0.98	191,867	0.14
20,001 - 30,000	63	0.49	160,061	0.11
30,001 - 40,000	13	0.10	46,240	0.03
40,001 - 50,000	22	0.17	104,596	0.07
50,001 - 1,00,000	32	0.25	248,347	0.17
1,00,001 & above	103	0.79	140,722,594	98.51
Total		100.00	142,857,100	100.00

b) Category wise Distribution Schedule as on 31st March 2011

Sr. No.	Category	No. of Shares held	%
1.	Promoters	48,193,200	33.74
2.	Corporate Bodies (Promoter Companies)	22,550,800	15.79
3.	Clearing Members	309,260	0.22
4.	Other Bodies Corporate	4,562,170	3.19
5.	Foreign Company	10,961,788	7.67
6.	Financial Institutions	600,000	0.42
7.	Foreign Institutional Investor	6,295,478	4.41
8.	Foreign Promoter Company	24,715,500	17.30
9.	Mutual Funds	18,256,469	12.78
10.	Nationalised Banks	930,926	0.65
11.	Non Resident Indians	2,251,188	1.58
12.	Non Resident Indians (Non Repatriable)	6,631	0.00
13.	Office Bearers	1	0.00

14	Public	3,223,213	2.25
15	Trust	476	0.00
	Total	142,857,100	100.00

- m. Address for correspondence

<u>For general Correspondence</u>	"Rahejas", 4 th Floor, Corner of Main Avenue & V.P. Road, Santacruz (West), Mumbai – 400 054. Tel: (022) 26001306 Fax: (022) 26001307 info@hathway.net; investorgrievance@hathway.net
<u>For matters related to Share transfers Dematerialization, etc.</u>	Link Intime India Private Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 Tel : (022) 25963838 Fax : (022) 25946969 Email id: rnt.helpdesk@linkintime.co.in

- n. Dematerialization of Shares and liquidity:

Your Company's shares are traded compulsorily in electronics form. The Company has established connectivity with both the depositories. i.e. National Securities Depository Limited and Central Depository Services (India) Limited.

As on 31st March 2011, 81.79 % of shares have been held in dematerialized form and balance shares are in physical form.

- o. The Company has no outstanding GDR's/ADR's/Warrants or any convertible instruments pending conversion or any other instrument likely to impact the Equity Share Capital of the Company.
- p. Details as per clause 5A of Listing Agreement

Table (Clause 5A of the Listing Agreement) (Details Awaited)

Unclaimed Shares as on 1st April, 2010		Details of Shareholders approached during the FY 2010-11 for the claiming of shares		Details of Shareholders to whom the shares have been transferred during the FY 2010-11		Unclaimed Shares as on 31st March, 2011	
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
31	3125	18	1825	18	1825	13	1300

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

Request to investors:

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

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

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

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

h) **CODE OF CONDUCT DECLARATION**

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

K. JAYARAMAN
Managing Director & CEO

Place: Mumbai

Date: 12th August 2011

To

The Members of
HATHWAY CABLE AND DATACOM LIMITED

Corporate Governance Certificate

We have examined the compliance of conditions of Corporate Governance by **HATHWAY CABLE AND DATACOM LIMITED** ("Company") for the financial year ended 31st March, 2011, 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**

**Date: 12th August, 2011
Place: Mumbai**

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

AUDITORS' REPORT

1. We have audited the attached Balance Sheet of **HATHWAY CABLE & DATACOM LIMITED** ('the Company') as at 31st March, 2011, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('the Order'), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, ('the Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation and information given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit;
 - (ii) 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 the said books;
- (iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) Without qualifying our report, we draw attention to Note no. B (10) of Schedule N to the accounts in respect of operations of the Company in the State of Tamil Nadu;
- (v) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act to the extent applicable;
- (vi) Based on representations made by the directors of the Company and taken on records by the board, none of the directors of the Company are, prima-facie, as at 31st March, 2011 disqualified from being appointed as directors of the Company under clause (g) of sub-section (1) of section 274 of the Act, on the said date;
- (vii) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with notes thereon give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011,
 - b. In the case of the Profit & Loss Account, of the losses of the Company for the year ended on that date, and
 - c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

Mumbai
Dated: 12th August, 2011

(ATUL SHAH)
Partner
(Membership No. 39569)

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

- i. (a) The Company has maintained records of fixed assets, other than distribution equipments, showing particulars, including quantitative details and location. As explained to us, nature of some of the distribution equipments (like cabling and other line equipments) and Cable TV / Internet Access Devices with the subscribers in areas serviced through local cable operators is such that maintaining location-wise details is impractical. The management has maintained maps to identify approximate quantity and location of such distribution equipments. Updation / preparation of maps relating to addition / replacement of assets is in progress.
- (b) Fixed assets, other than distribution equipments and Cable TV / Internet Access Devices with the subscribers, were physically verified during the year as per the programme of verification. Major items of distribution equipments only for one city were physically verified. *In our opinion, frequency and procedure for verification of distribution equipments needs to be strengthened.* Discrepancies arising on such physical verification have been properly dealt within the books of accounts. *However, in absence of physical verification of balance distribution equipments and Cable TV / Internet Access Devices with the subscribers, discrepancies in such assets have not been ascertained and not dealt within the books of accounts.*
- (c) During the year, Company has not disposed off any substantial part of fixed assets.
- ii. The inventories have been physically verified by the management during the year. 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. The Company is maintaining proper records of such inventory. We have been informed that no material discrepancies were noticed on physical verification between the stocks and the book records. Cable Television and Internet Access Devices held for installation at the subscribers' end are initially classified under Capital Work - in - Progress and On installation, such devices are capitalised or treated as sale as the case may be. Accordingly, these items are not considered as inventory.
- iii. (a) The Company has granted interest free unsecured loans to two parties covered in the register maintained under section 301 of the Act. The maximum amount involved in such transactions during the year was Rs. 270,709, 861 and the balance at the end of the year was

Rs. 174,995,459.

- (b) In our opinion and according to the information and explanations given to us, the terms and conditions of interest free loans given to the parties covered in the register maintained under section 301 of the Act are not prima facie prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us, no repayment schedule has been specified and accordingly the question of regularity in repayment of principal amount, wherever applicable, does not arise.
- (d) As stated above, no repayment schedule has been specified and there are no overdue amounts in excess of Rs. One lakh.
- (e) to (g) The Company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. In view of the same, sub – clauses (f) to (g) of the clause (iii) of the order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system with regards to purchases of the inventory and fixed assets and sale of goods and services. The management is in process of further strengthening the internal controls over documentation in certain areas so as to make it commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- v. (a) On perusal of the information available with the Company and based on explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act for the year that needs to be entered into the register maintained under that section have been so entered.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding Rs. Five lakhs have been made at a prices which are reasonable having regard to prevailing market prices at the relevant time to the extent the same are available with the Company and / or in accordance with the approvals granted by the Central Government, wherever applicable.
- vi. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A, 58AA or any other relevant provisions of the

Act and Rules framed there under are not applicable to the Company.

- vii. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii. The Central Government has prescribed maintenance of Cost Records under Section 209(1)(d) of the Act in respect of certain service activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- ix. (a) Based on the records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues such as Provident Fund, Income Tax, Service Tax, Custom Duty and other material statutory dues wherever applicable. According to the information and explanations given to us, there are no arrears of undisputed statutory dues outstanding for a period of more than six months from the date on which they became payable.

(b) The details of disputed statutory dues, that have not been deposited by the Company are as under:

Sr. No.	Name of the statute	Nature of dues	Forum where dispute is pending	Amount
1	Bombay Sales Tax Act, 1959	Sales Tax	Assistant Comm. of Sales Tax, Appeals	70,987
2	Bombay Entertainments Duty Act, 1923	Entertainment Tax & penalty thereon	Commissioner, Konkan Division	77,920 157,800
3	Hyderabad Entertainment Duty Act, 1939	Entertainment Tax	Andhra Pradesh High Court	5,813,760
4	Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax & Penalty thereon	Commercial Tax Officer, Hyderguda	528,521 52,852
5	Karnataka Sales Tax Act, 1957	Sales Tax and interest	Dy. Commissioner of Commercial Tax, Bangalore	54,406,240
6	Karnataka Entertainment Tax Act, 1958	Entertainment Tax	Karnataka High Court	2,876,586
7	Finance Act, 1994	Service Tax	Commissioner of Service Tax	6,186,012
8	Income Tax Act, 1961	Tax deducted at source & interest	Commissioner of Income Tax (Appeals)	39,896,065

As stated in note no. B(2)(f) of Schedule N to the accounts, the Company has challenged the levy of Entertainment Tax pursuant to certain amendments to Karnataka Entertainment Tax Act, 1958 and Hyderabad Entertainment Duty Act, 1939. As informed to us, except as disclosed above, no demand has been quantified in relation to same by the concerned authorities.

- x. The accumulated losses at the end of the financial year are not in excess of fifty percent of Net Worth of the Company. The Company has neither incurred cash losses during the

financial year covered by our audit nor in the immediately preceding financial year.

- xi. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
- xii. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xii. The Company is not a chit fund or a *nidhi* /mutual benefit fund / society. Therefore, clause 4(xiii) of the Order is not applicable to the Company.

The Company has maintained proper records of transactions and contracts in respect of its dealing in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name except certain government securities which are held in the name of the officials or *ex-officials* of the Company.

- xiv. According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiaries from a bank, the terms and conditions whereof in our opinion are not *prima facie* prejudicial to the interest of the Company.
- xvi. Based on information and explanation given to us and based on overall review of the funds utilization, we are of the view that the Company has generally utilized funds for which they were obtained. However, pending such utilization these funds have been temporarily utilized to reduce the short term credit limits.
- xvii. According to the information and explanations given to us and overall examination of the Financial Statements of the Company, we are of the opinion that, the funds raised on short-term basis have generally not been used for long term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act during the year hence the question of whether the price at which shares have been issued is prejudicial to the interest of the Company does not arise.
- xix. The Company has not issued any non convertible debentures hence the question of whether securities have been created does not arise.
- xx. We have verified that the end use of money raised by public issue and the same is as disclosed in note no. B(32) of Schedule N to the accounts.

xxi. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit except as mentioned below :

- a) Cases of misappropriation of cash collection from the subscribers and fraudulent withdrawals of funds by employees aggregating to Rs.1,694,748, of which Rs. 190,594 have been recovered by the Company, no fraud on or by the Company has been noticed or reported during the year and

- b) A fraud has been reported in respect of one of the subsidiaries involving the minority joint venture partner in respect of that company. The fraud has been committed by falsification of accounts, fraudulent destruction of valuable securities etc. involving aggregate amount of Rs. 74,321,905. The Company has filed police complaint and the matter is pending.

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

Mumbai
Dated: 12th August, 2011

(ATUL SHAH)
Partner
(Membership No. 39569)

Balance Sheet as at 31st March, 2011

	Schedule	Rupees	31-03-2011 Rupees	31-03-2010 Rupees
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	A	1,429,051,000		1,429,051,000
Employee Stock Options Outstanding		24,157,165		19,354,283
Reserves and Surplus	B	11,999,692,444		11,999,692,444
			13,452,900,609	13,448,097,727
Loan Funds				
Secured Loans	C	2,758,697,701		3,995,255,724
			2,758,697,701	3,995,255,724
			16,211,598,310	17,443,353,451
APPLICATION OF FUNDS				
Fixed Assets	D			
Gross Block		9,622,901,551		8,702,375,244
Less: Accumulated Depreciation / Amortisation / Impairment		4,237,955,640		3,427,532,913
Net Block		5,384,945,911		5,274,842,331
Capital Work In Progress		441,474,605		240,365,525
			5,826,420,516	5,515,207,856
Investments	E		4,384,465,408	6,662,619,637
Net Current Assets				
<u>Current Assets, Loans & Advances</u>	F			
Inventories		18,802,217		24,961,275
Sundry Debtors		1,611,946,224		1,214,567,640
Cash and Bank balances		253,760,061		745,307,899
Loans & Advances		1,272,674,342		1,039,080,018
		3,157,182,844		3,023,916,832
<u>Less: Current Liabilities & Provisions</u>	G			
Current Liabilities		2,104,561,761		2,310,718,026
Provisions		46,432,577		39,075,156
		2,150,994,338		2,349,793,182
Net Current Assets			1,006,188,506	674,123,650
Profit & Loss Account Debit Balance			4,994,523,880	4,591,402,308
			16,211,598,310	17,443,353,451
Significant Accounting Policies and Notes Forming Part of Accounts	N			

As per our report of even date

For and on behalf of the Board

For G. M. KAPADIA & CO.
Chartered Accountants

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(K . JAYARAMAN)
Managing Director & C.E.O.

(MILIND KARNIK)
President- Finance & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai

Dated : 12th August 2011

Mumbai

Dated : 12th August 2011

Profit & Loss Account for the year ended 31st March, 2011

	Schedule	2010-2011 Rupees	2009-2010 Rupees
INCOME			
Income from Operations	H	4,738,667,382	4,020,243,414
Other Income	I	210,940,242	47,376,644
		4,949,607,624	4,067,620,058
EXPENDITURE			
Operational Expenses	J	2,220,857,588	1,931,745,270
Staff Cost	K	416,461,712	327,863,558
Selling, Administration and General Expenses	L	1,201,815,571	1,065,849,549
		3,839,134,871	3,325,458,377
Profit Before Interest, Depreciation, Amortisation And Taxation		1,110,472,753	742,161,681
Interest and Finance Charges	M	386,376,900	509,097,386
Profit Before Depreciation, Amortisation And Taxation		724,095,853	233,064,295
Loss / (Gain) on Foreign Exchange Fluctuation (Net)		(11,555,592)	(5,195,918)
Depreciation		791,401,535	715,710,914
Amortisation		154,972,448	170,441,672
Impairment of Tangible / Intangible Assets		27,030,014	17,677,227
Loss before Taxation and Exceptional items		(237,752,552)	(665,569,601)
Exceptional Items			
Provision for Doubtful Advances / Investments / Receivables from Entities Under Control / Significant Influence (Refer Note No. B (9) of Schedule N)		87,295,510	65,344,429
Impairment and write off of Assets in respect of operations in Tamil Nadu (Refer Note No.B (10) of Schedule N)		56,593,892	162,323,807
Depreciation Write-back for Previous Year (Refer Note No.B (11) of Schedule N)		-	(64,398,315)
Net Profit / (Loss) before Taxation		(381,641,954)	(828,839,521)
Less : Tax Expenses			
- Current Tax		-	-
- Deferred Tax		-	-
Net Loss for the year		(381,641,954)	(828,839,521)
Balance b/f from Previous Year		(4,591,402,308)	(3,756,369,603)
Prior Period Adjustments (Net)		(21,479,618)	(6,193,184)
Balance carried to Balance Sheet		(4,994,523,880)	(4,591,402,308)
Earning / (Loss) Per Share (In Rs.) - Basic & Diluted		(2.82)	(6.98)
(Refer Note No.B (22) of Schedule N)			
Significant Accounting Policies and Notes Forming the Part of Accounts	N		

As per our report of even date

For and on behalf of the Board

For G. M. KAPADIA & CO.
Chartered Accountants

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(K . JAYARAMAN)
Managing Director & C.E.O.

(MILIND KARNIK)
President- Finance & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai

Dated : 12th August 2011

Mumbai

Dated : 12th August 2011

Cash Flow Statement for the year ended 31st March 2011

		2010-2011		2009-2010	
		Rupees	Rupees	Rupees	Rupees
1	CASH FLOW FROM OPERATING ACTIVITIES:				
	NET PROFIT / (LOSS) BEFORE TAX & PRIOR PERIOD ADJUSTMENTS		(403,121,572)		(835,032,705)
A	Adjustment for :				
	Depreciation & Amortisation	946,373,984		886,152,586	
	Impairment of Tangible / Intangible Assets	27,030,014		17,677,227	
	Loss on Shortages / Impairment of Tangible Assets of Chennai (Refer Note No.B (10) of Schedule N)	56,593,892		162,323,807	
	Depreciation taken to Prior Period			4,744,557	
	Provision for Bad & Doubtful Debts (Net)	291,698,241		258,904,317	
	Depreciation Write-back for Previous Year (Refer Note No.B (11) of Schedule N)	-		(64,398,315)	
	Provision for Bad & Doubtful Advances	890,769		1,264,501	
	Share of Profit / Loss in Partnership firm	-		11,181	
	Provision for leave encashment and gratuity	7,404,486		(3,197,541)	
	Employee Compensation Expense	4,802,882		7,469,869	
	Provision for Doubtful Advances / Investments / Receivables from Subsidiaries / Associates	87,295,510		65,344,429	
	(Profit) / loss on sale of Fixed Assets	40,933,057		24,707,551	
	Interest and Finance Charges	386,376,900		509,097,386	
	Income from Investments	(51,050,829)		(6,302,227)	
	(Profit) / loss on sale of Investments	(142,923,434)		(27,202,499)	
			1,655,425,472		1,836,596,829
	Operating Profit Before Working Capital		1,252,303,900		1,001,564,124
B	Change in Working Capital				
	(Increase) / Decrease in Inventories	6,159,060		18,793,597	
	(Increase) / Decrease in Sundry Debtors	(689,076,825)		(307,267,287)	
	(Increase) / Decrease in Loans & Advance in Subsidiaries	(163,061,746)		(34,237,894)	
	(Increase) / Decrease in Other Loans & Advance	5,715,168		169,826,954	
	Increase / (Decrease) in Current Liabilities & Provisions	(115,001,647)		28,262,616	
			(955,265,990)		(124,622,013)
	Cash Generated from Operations		297,037,910		876,942,111
	Taxes paid		(15,469,068)		(38,638,048)
	Net Cash from Operation Activities		281,568,842		838,304,063
2	CASH FLOW FROM INVESTING ACTIVITIES:				
	Income from Investments	51,050,829		6,302,227	
	Sale Proceeds of Fixed assets	5,972,083		8,590,049	
	Payment for Fixed Assets	(1,578,543,208)		(750,907,902)	
	Investment in Subsidiaries	(123,329,603)		(112,108,345)	
	Purchase of Other Investments	(20,739,369,613)		(18,009,882,895)	
	Sale Proceeds of Other Investments	23,220,957,566		13,923,165,230	
	Net cash Realised from Investing Activities		836,738,054		(4,934,841,635)

		2010-2011		2009-2010	
		Rupees	Rupees	Rupees	Rupees
3	CASH FLOW FROM FINANCING ACTIVITIES				
	Interest and Finance Charges	(373,296,711)		(521,197,989)	
	Issues of Share Capital (Including Premium)	-		4,800,000,110	
	Share Issue Expenses/ Pre - IPO Expenses	-		(262,324,741)	
	Net Loan Funds borrowed / (repaid)	(1,234,467,678)		520,212,171	
	Net cash Realised from Financing Activities		(1,607,764,389)		4,536,689,551
	Net increase/(decrease) in Cash and Cash equivalent		(489,457,493)		440,151,979
	Cash and Cash equivalents at the beginning of year		743,217,554		303,065,575
	Cash and Cash equivalents at the end of year		253,760,061		743,217,554

Note:

- 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. Refer Schedule F for details.
- 3) During the Previous Year, an employee has exercised the option at an Exercise Price of Rs. 110/-, whose fair market value was Rs. 162/-.

As per our report of even date

For and on behalf of the Board

For G. M. KAPADIA & CO.
Chartered Accountants

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(K . JAYARAMAN)
Managing Director & C.E.O.

(MILIND KARNIK)
President- Finance & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai

Dated : 12th August 2011

Mumbai

Dated : 12th August 2011

Schedules Annexed to and forming part of the Balance Sheet as at 31st March, 2011

	31-03-2011 Rupees	31-03-2010 Rupees
SCHEDULE A		
SHARE CAPITAL		
Authorised Capital		
199,800,000 (199,800,000) Equity Shares of Rupees 10 (10) Each	1,998,000,000	1,998,000,000
200,000 (200,000) Non- Cumulative Redeemable Preference Shares of Rupees 10 (10) Each	2,000,000	2,000,000
	<u>2,000,000,000</u>	<u>2,000,000,000</u>
Issued,Subscribed and Paid up Capital		
142,857,100 (142,857,100) Equity Shares of Rs. 10 (10) Each Fully Paid Up	1,428,571,000	1,428,571,000
Of the above		
- 74,236,874 (74,236,874) shares are allotted as fully paid-up		
bonus shares out of Securities Premium Account		
- 1 (1) share has been allotted as fully paid-up		
under the Employee Stock Option Plan		
- 11,501,788 (11,501,788) Equity Shares of Rs.10 Each were issued on conversion of		
Fully & Compulsorily Convertible Debentures (FCCD)		
- 20,000,000 (20,000,000) Equity Shares of Rs. 10 Each were issued as fully paid- up shares		
through Initial Public Offer (Refer Note No. B(31) to Schedule N)		
48,000 (48,000) 0% Non-cumulative Redeemable Preference Shares of Rs. 10 each Fully Paid Up issued	480,000	480,000
for consideration other than cash pursuant to scheme of demerger.		
- The Preference shares are redeemable on or before 12th December 2012 at the option of the Board of Directors		
	<u>1,429,051,000</u>	<u>1,429,051,000</u>
SCHEDULE B		
RESERVES & SURPLUS		
SECURITIES PREMIUM		
Balances per last Balance Sheet	11,999,692,444	5,304,634,913
Add: Additions during the year :	-	6,957,382,272
	<u>11,999,692,444</u>	<u>12,262,017,185</u>
Less: Share issue expenses (Refer Note B (33) of Schedule N)	-	262,324,741
	<u>11,999,692,444</u>	<u>11,999,692,444</u>
SCHEDULE C		
LOAN FUNDS		
SECURED LOANS		
From Banks		
Cash Credit with Banks - Refer Note (i)	-	2,090,344
Vehicle Loans from Banks - Refer Note (ii)	1,166,946	2,809,830
Term Loan - Refer Note (iii)	787,249,998	1,092,916,672
Working Capital Demand Loan - Refer Note (iv)	110,000,000	250,000,000
External Commercial Borrowings from Banks- Refer Note (v)	60,196,500	87,535,500
Buyers Credit from Banks- Refer Note (vi)	664,519,971	778,355,753
From Others		
Term Loan - Refer Note (vii)	1,135,564,286	1,781,547,625
	<u>2,758,697,701</u>	<u>3,995,255,724</u>

NOTE:

- (i) Out of the above Rs. NIL (P.Y. Rs. NIL) (Sanction amount Rs. 700,000,000 (P.Y. Rs. 500,000,000)) is secured by item no. (a) and (b) given below and Rs. NIL (P.Y. Rs. 2,090,344) (Sanction amount Rs. 50,000,000 (P.Y. Rs. 50,000,000)) is secured by item no. (c) and (d) given below, and Rs. NIL (P.Y. Rs. NIL) (Sanction amount Rs. 100,000,000 (P.Y. Rs. 50,000,000)) is secured by item no. (a) and (b) given below. (a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.
(b) pari passu hypothecation of present & future Current Assets of the Company.
(c) pari passu hypothecation of present & future inventory and Book Debts of the Company
(d) Personal Guarantees given by one of the directors of the Company.
- (ii) Secured by Hypothecation of Vehicles.
- (iii) Out of the above, Rs. NIL (P.Y. Rs. 4,166,672) secured by item no. (a) & (b) given below and Rs. 168,750,000 (P.Y. Rs. 243,750,000) secured by item no. (a), (b) & (c) and Rs. 498,499,998 (P.Y. Rs. 605,000,000) secured by item no. (a) & (b) and Rs. 120,000,000 (P.Y. Rs. 240,000,000) secured by item no. (a) & (c)
(a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.
(b) pari passu hypothecation of present & future Current Assets of the Company.
(c) Personal Guarantees given by one of the directors of the Company.
- (iv) Secured by item no. (a) & (b)
(a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.
(b) pari passu hypothecation of present & future Current Assets of the Company.
Fixed Assets of the Company both present & future.
- (v) Secured by pari passu hypothecation of present & future movable Fixed Assets of the Company.
- (vi) Out of the above, Rs. 167,226,784 (P.Y. Rs. 265,485,859) secured by item no. (b) and Rs. 292,394,689 (P.Y. Rs. 108,186,544) secured by item no. (b) & (c) and Rs. 204,898,498 (P.Y. Rs. 404,683,350) is secured by (a) & (d).
(a) Hypothecation of Assets acquired under LC facility.
(b) Secured by hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future.
(c) Cash Margin of 10% (P.Y.33%) by Fixed deposit with Bank.
(d) Personal Guarantee given by one of the directors of the Company.
- (vii) Out of the above, Rs. 75,000,000 (P.Y. Rs. 293,750,000) secured by item no. (a) ,(b) and (h), Rs. 418,600,000 (P.Y. Rs. 481,250,000) secured by item no. (a), (b), (c), (e), (f) and (i) , Rs. 468,750,000 (P.Y. Rs. 500,000,000) secured by item no. (a), (b), (e), (f) and (j) and Rs. 173,214,286 (P.Y. Rs. 506,547,625) secured by item no. (a), (d) and (g)
(a) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.
(b) pari passu hypothecation of the present & future Current Assets of the Company.
(c) Personal Guarantees given by one of the directors of the Company.
(d) undertaking given by certain shareholders of the Company for non- disposal of their shareholding in the Company so long as Term Loan is outstanding to the tune of Rs. 23,214,284 (P.Y. Rs. 327,976,199).
(e) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature.
(f) First charge on the uncalled capital of the company.
(g) Personal Guarantees given by one of the directors of the Company (P.Y. to the tune of Rs. 350,000,000).
(h) Pledge of 202,000 (P.Y. 202,000) fully paid equity shares of Gujarat Telelink Private Limited.
(i) Lien on 3,500,000 (P.Y. 3,500,000) units of IDFC Fixed Maturity Yearly Series 40
(j) Lien on Fixed Deposits with Bank of Rs. 27,000,000 (P.Y. Rs. NIL)

Schedules Annexed to and forming part of the Balance Sheet as at 31st March, 2011

FIXED ASSETS

(In Rupees)

SCHEDULE D	<-----Gross Block (at Cost) ----->				<-----Depreciation/Amortisation/Impairment----->				<-----Net Block----->	
	As at 01-04-2010	Additions during the year	Deductions during the year	As at 31-03-2011	As at 01-04-2010	Additions during the year (Note 2)	Deductions during the year	As at 31-03-2011	As at 31-03-2011	As at 31-03-2010
Intangible Assets										
Goodwill	259,193,747	-	9,373	259,184,374	206,037,437	19,000,278	-	225,037,715	34,146,659	53,156,310
Cable Television Franchisee	719,970,433	20,003,996	2,080,000	737,894,429	198,477,870	35,728,442	251,570	233,954,742	503,939,687	521,492,563
Movie Rights	22,095,181	-	3,602,302	18,492,879	13,566,116	4,282,070	3,602,302	14,245,884	4,246,995	8,529,065
Softwares	82,663,827	12,558,840	-	95,222,667	53,190,066	13,112,457	-	66,302,523	28,920,144	29,473,761
Bandwidth Rights	408,662,388	-	129,592,855	279,069,533	279,464,033	96,247,622	129,592,855	246,118,800	32,950,733	129,198,355
	1,492,585,576	32,562,836	135,284,530	1,389,863,882	750,735,522	168,370,869	133,446,727	785,659,664	604,204,218	741,850,054
Tangible Assets										
Plant and Machinery	6,874,609,726	1,119,172,798	101,057,972	7,892,724,552	2,449,536,041	838,221,778	73,166,132	3,214,591,687	4,678,132,865	4,425,073,685
Air Conditioners	26,164,607	2,412,353	103,540	28,473,420	15,073,342	1,851,491	76,605	16,848,228	11,625,192	11,091,265
Structural Fittings	23,459,304	2,049,352	-	25,508,656	6,337,389	931,142	-	7,268,531	18,240,125	17,121,915
Furniture & Fixtures	85,372,892	4,200,721	2,514,884	87,058,729	56,111,759	6,026,259	1,156,294	60,981,724	26,077,005	29,261,133
Mobile, Pagers & Telephones	15,765,522	2,006,584	-	17,772,106	10,919,179	927,985	-	11,847,164	5,924,942	4,846,343
Computers	104,002,108	11,342,773	2,832,870	112,512,011	90,446,193	8,170,670	2,730,770	95,886,093	16,625,918	13,555,915
Office Equipments	17,605,382	395,551	206,893	17,794,040	9,487,573	1,418,263	125,883	10,779,953	7,014,087	8,117,809
Electrical Fittings	23,941,749	1,317,648	4,500	25,254,897	13,270,449	1,761,496	4,500	15,027,445	10,227,452	10,671,300
Motor Vehicles	37,067,613	708,284	13,640,032	24,135,865	23,949,783	3,145,136	9,716,427	17,378,492	6,757,373	13,117,830
Movie Master Tapes	1,800,765	2,628	-	1,803,393	1,665,683	20,976	-	1,686,659	116,734	135,082
	7,209,789,668	1,143,608,692	120,360,691	8,233,037,669	2,676,797,391	862,475,196	86,976,611	3,452,295,976	4,780,741,693	4,532,992,277
Total	8,702,375,244	1,176,171,528	255,645,221	9,622,901,551	3,427,532,913	1,030,846,065	220,423,338	4,237,955,640	5,384,945,911	5,274,842,331
Previous Year	8,211,793,163	826,847,495	336,265,414	8,702,375,244	2,742,925,175	878,665,360	194,057,622	3,427,532,913	5,274,842,331	5,468,867,988

Note :

1) Range of remaining period of amortisation of Intangible Assets is as below :

	0 to 5 Year	5 to 10 Year	10 to 15 Year	15 to 20 Year	Total WDV
Goodwill	15,344,701	18,801,958	0	-	34,146,659
Cable Television Franchisee	3,259,634	9,658,639	153,497,430	337,523,985	503,939,687
Movie Rights	4,098,991	121,465	26,539	-	4,246,995
Softwares	28,920,144	-	-	-	28,920,144
Bandwidth Rights	32,950,733	-	-	-	32,950,733

2) Additions to Depreciation / Amortisation / Impairment Includes impairments of Goodwill Rs. Nil (Previous Year Rs. 5,942,044) , Software Rs.59,507 (Previous Year Rs. Nil), Plant and Machinery Rs. 87,504,276 ((Previous Year Rs. 17,677,227)

Schedules Annexed to and forming part of the Balance Sheet as at 31st March, 2011

SCHEDULE E	FACE				
	VALUE				
	Rupees	31-03-2011		31-03-2010	
	Per Unit	Quantity	Rupees	Quantity	Rupees
INVESTMENTS (Fully Paid)					
Long Term Trade (Quoted)					
<u>Equity Shares of Subsidiary Company</u>					
Hathway Bhawani Cabletel and Datacom Ltd.!	10	1,920,000	22,800,000	1,920,000	22,800,000
			22,800,000		22,800,000
Market Value of Quoted Investments (Refer Note No.B (30) of Schedule N)			17,952,000		16,224,000
Long Term Trade (Unquoted)					
<u>Equity Shares of Subsidiary Companies</u>					
Gujarat Telelink Pvt. Ltd.*	10	705,000	1,250,721,167	705,000	1,250,721,167
Hathway Bhaskar Multinet Pvt. Ltd.	10	598,944	390,951,539	598,944	390,951,539
Hathway Sai Star Cable & Datacom Pvt. Ltd.	10	68,850	270,914,254	51,000	200,914,254
Hathway Sonali Om Crystal Cable Pvt. Ltd.	10	51,000	163,608,000	51,000	163,608,000
Hathway New Concept Cable & Datacom Pvt. Ltd.	10	25,500	71,400,002	25,500	71,400,002
Hathway Rajesh Multi Channel Pvt. Ltd.	10	122,354	62,831,844	114,699	58,907,810
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	10	249,000	62,819,311	249,000	62,819,311
Hathway Media Vision Pvt. Ltd.	10	65,040	59,231,098	65,040	59,231,098
Hathway Krishna Cables Pvt. Ltd.	10	4,860,000	48,600,000	4,860,000	48,600,000
Hathway MCN Pvt. Ltd.	10	510,000	40,800,000	510,000	40,800,000
Hathway Dattatray Cable Network Pvt. Ltd.	10	20,400	40,522,500	20,400	40,522,500
Kokan Crystal Cable Network Pvt. Ltd.	10	27,990	22,950,000	-	-
Ideal Cables Pvt. Ltd.	10	76,020	22,210,200	26,020	2,210,200
Net 9 Online Hathway Pvt. Ltd.	10	5,000	20,050,000	5,000	20,050,000
Channels India Network Pvt. Ltd.	10	87,500	10,855,000	87,500	10,855,000
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	10	51,000	9,180,560	51,000	9,180,560
Hathway Jai Mata Di Sherawali Cable & Datacom Pvt. Ltd.	10	800,000	8,000,000	800,000	8,000,000
Vision India Networks Pvt. Ltd.	10	87,700	7,439,500	87,700	7,439,500
Hathway Palampur Cable & Datacom Pvt. Ltd.	10	15,300	6,760,000	15,300	6,760,000
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	10	10,200	6,555,569	10,000	100,000
Hathway C-Net Pvt. Ltd.	10	100,000	5,985,000	100,000	5,985,000
Chennai Cable Vision Network Pvt. Ltd.	10	136,800	5,634,482	136,800	5,634,482
Hathway Cable MCN Nanded Pvt Ltd	10	491,987	4,919,870	491,987	4,919,870
Hathway Nashik Cable Network Pvt. Ltd.	10	45,300	4,503,000	45,300	4,503,000
Hathway ICE Television Pvt. Ltd.	10	102,000	4,080,000	102,000	4,080,000
Bee Network & Communication Pvt. Ltd.	10	99,989	3,999,140	99,989	3,999,140
Hathway Mysore Cable Network Pvt. Ltd.	10	292,100	2,921,000	292,100	2,921,000
UTN Cable Communications Pvt. Ltd.	10	25,500	2,632,440	25,500	2,632,440
Hathway Prime Cable & Datacom Pvt. Ltd.	10	229,500	2,295,000	229,500	2,295,000
Win Cable and Datacom Pvt. Ltd.	10	200,000	2,000,000	200,000	2,000,000
Hathway Software Developers Pvt. Ltd.	10	195,000	1,950,000	195,000	1,950,000
Elite Cable Network Pvt. Ltd.	10	48,000	480,000	48,000	480,000
Hathway Space Vision and Cabletel Pvt. Ltd.	10	10,020	100,200	10,020	100,200
Binary Technology Transfers Pvt. Ltd.	100	1,000	100,000	1,000	100,000
Hathway Enjoy Cable Network Pvt. Ltd.	10	10,000	100,000	10,000	100,000
Hathway Gwalior Cable & Datacom Pvt. Ltd.	10	10,000	100,000	10,000	100,000
Hathway Internet Satellite Pvt.Ltd.	10	10,000	100,000	10,000	100,000
Hathway JMD Farukabad Cable & Datacom Pvt. Ltd.	10	10,000	100,000	10,000	100,000
Hathway United Cables Pvt. Ltd.	10	10,000	100,000	10,000	100,000
Hathway Universal Cabletel and Datacom Pvt. Ltd.	100	1,000	100,000	1,000	100,000
ITV Interactive Media Pvt. Ltd.	100	1,000	100,000	1,000	100,000
Liberty Media Vision Pvt. Ltd.	10	10,000	100,000	10,000	100,000
Hathway Mantra Cable & Datacom Pvt. Ltd.	10	9,800	98,000	9,800	98,000
			2,618,898,676		2,495,569,073
Less : Provision for diminution in value			114,625,833		51,806,522
			2,504,272,843		2,443,762,551
* 202,000 (P.Y. 202,000) Pledged with a Financial Institution.					

Schedules Annexed to and forming part of the Balance Sheet as at 31st March, 2011

SCHEDULE E	FACE				
	VALUE				
	Rupees	31-03-2011		31-03-2010	
	Per Unit	Quantity	Rupees	Quantity	Rupees
<u>Preference Shares of Subsidiary Company</u>					
Hathway Bhaskar Multinet Pvt. Ltd.	10	26,020	260,200	26,020	260,200
			260,200		260,200
<u>Equity Shares of Other Companies</u>					
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.#	10	72,628	41,021,784	72,628	41,021,784
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	10	60,000	2,206,295	60,000	2,206,295
Hathway VCN Cablenet Pvt. Ltd.	10	12,520	1,006,132	12,520	1,006,132
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	470,594	47,009	470,594
Pan Cable Services Pvt. Ltd.	10	10	100	10	100
			44,704,905		44,704,905
Less : Provision for diminution in value			3,212,528		3,212,528
			41,492,377		41,492,377
# Subsidiary upto 01 st September 2009					
<u>Government Securities</u>					
National Savings Certificates			1,336,360		1,247,860
(Deposited with Government Authorities)			1,336,360		1,247,860
<u>Investments in Partnership Firms</u>					
Hathway Jai Mata Di Balaji Cable Network			-		105,731
Mona Cable			-		52,569
Mantra Enterprises			-		22,000
			-		180,300
Less: Provision for doubtful investments			-		105,731
			-		74,569
Current Non-trade (Quoted)					
<u>Investment in Certificate of Deposits of Banks</u>					
Vijaya Bank	100,000	5,000	497,141,850		-
Yes Bank	100,000	2,500	248,902,685		-
Canara Bank	100,000	2,500	249,369,298		-
			995,413,833		-
Current Non-trade (Unquoted)					
<u>Units of Debt Market Mutual Funds</u>					
HDFC Mutual Fund					
- Liquid Fund - Growth *	10	-	-	106,000	1,322,202
- Cash Management Fund Savings Plan - Institutional- Growth	10	-	-	17,448,303	352,227,150
ICICI Prudential Plan					
- FMP Series 51- 13MONTHS PLAN C**	10	3,500,000	37,406,600	3,500,000	35,000,000
- Interval Fund II- Quarterly Interval Plan F- Inst- Growth	10	9,335,238	100,000,000	-	-
IDFC Mutual Fund					
- Money Manager Fund- Treasury Plan-Super Inst Plan C - Growth	10	8,723,053	101,626,189	46,002,556	502,274,305
- FMP- Yearly Series 40***	10	3,500,000	35,000,000	-	-
ING Mutual Fund					
- Treasury Advantage Fund - Institutional - Growth	10	-	-	81,381,241	1,003,569,055
Templeton India Fund					
- Ultra Short Bond Fund- Super Institutional- Growth	10	-	-	42,399,248	502,329,332
DSP Blackrock Fund					
- Floating Rate Fund- Institutional- Growth	10	-	-	454,360	602,453,942
Kotak Mutual Fund					
- Flexidebt Fund- Institutional- Growth	10	-	-	17,738,128	200,919,770
SBI Mutual Fund					
- Ultra short term- Institutional- Growth	10	-	-	33,493,364	401,752,898
Axis Mutual Fund					
- Treasury Advantage- Growth	10	-	-	98,328	100,416,962

Schedules Annexed to and forming part of the Balance Sheet as at 31st March, 2011

SCHEDULE E	FACE VALUE				
	Rupees Per Unit	31-03-2011		31-03-2010	
		Quantity	Rupees	Quantity	Rupees
Reliance Money Manager Fund- Institutional- Growth					
- Money Manager Fund- Institutional- Growth	10	56,823	76,051,995	120,073	150,677,631
- Monthly Interval Fund- Series I - Institutional -Growth	10	-	-	12,080,410	150,020,569
- Monthly Interval Fund- Series II - Institutional -Growth	10	7,518,175	100,000,000	-	-
Bharti Axa Mutual Fund					
- Treasury Advantage Fund -Institutional Plan- Growth	10	-	-	134,717	150,018,264
Fidelity Mutual Fund					
- Ultra Short Term Debt Fund- Super Institutional- Growth	10	28,976,564	368,805,011	-	-
			818,889,795		4,152,982,080
(Note :Current Non - trade (Unquoted) Investments includes Investments amounting to Rs. 1,763,049,545 (P.Y. Rs. 4,117,982,079) represents unutilised monies raised by issue of equity shares.)					
Total Investments			4,384,465,408		6,662,619,637
Total of Quoted Investments			22,800,000		22,800,000
Total of Unquoted Investments			4,361,665,408		6,639,819,637

*Includes Nil units (P. Y. 106,000 units) where lien has been marked in favour of a Bank

**Includes Nil units (P. Y. 3,500,000 units) where lien has been marked in favour of a Financial Institution

***Includes 3,500,000 units (P. Y. Nil units) where lien has been marked in favour of a Financial Institution

Details of Non - Trade Unquoted Investments Purchased and Sold During the Year

Name of the Mutual Fund / Shares	Quantity	Face Value (Rupees)
Reliance Monthly Interval Fund- Series II - Institutional -Growth	12,080,410	10
HDFC Cash Management Treasury Advantage - Institutional- Growth	6,806,775	10
HDFC Cash Management Treasury Advantage - Institutional- Growth	6,585,513	10
HDFC Liquid Fund	106,000	10
Bharti Axa Treasury Advantage Fund -Institutional Plan- Growth	107,365	1,000
Bharti Axa Treasury Advantage Fund -Institutional Plan- Growth	27,352	1,000
HDFC Cash Management Treasury Advantage - Institutional- Growth	4,056,016	10
Reliance Money Manager Fund- Institutional- Growth	80,108	1,000
DSP Blackrock Floating Rate Fund- Institutional- Growth	149,618	1,000
ING Treasury Advantage Fund- Institutional- Growth	16,107,469	10
TI Ultra Short Bond Fund- Super Institutional- Growth	16,743,828	10
IDFC Money Manager Fund- Treasury Plan C- Growth	9,083,560	10
ING Liquid Fund- Super Institutional- Growth	51,357,302	10
TI Treasury Management Account- Super Institutional- Growth	222,420	10
IDFC Cash Fund- Super Institutional- Growth	36,032,648	10
DSP Blackrock Liquidity Fund- Institutional- Growth	307,050	1,000
Kotak Liquid- Institutional Premium- Growth	10,776,140	10
SBI Premier Liquid Fund- Institutional- Growth	10,567,424	10
Axis Liquid Fund- Institutional- Growth	98,583	1,000
Reliance Liquidity Fund- Growth	14,462,505	10
LICMF Liquid Fund- Growth	11,773,392	10
ICICI Prudential Liquid -Super Institutional- Growth	726,714	100
ING Treasury Advantage Fund- Institutional- Growth	8,042,917	10
SBI SNDF- Ultra short term- Institutional- Growth	12,367,972	10
SBI SNDF- Ultra short term- Institutional- Growth	8,242,732	10
ING Treasury Advantage Fund- Institutional- Growth	16,049,432	10
IDFC Money Manager Fund- Treasury Plan C- Growth	9,048,382	10
DSP Blackrock Floating Rate Fund- Institutional- Growth	149,042	1,000
ING Liquid Fund Super Institutional- Growth	14,395,014	10
IDFC Cash Fund - Super Inst- Plan C- Growth	8,827,138	10
DSP BlackRock Liquidity Fund - Institutional Plan - Growth	150,093	10
LICMF Savings Plus Fund Growth Plan	13,548,696	10
IDFC Money Manager Fund - Treasury Plan C	36,914,737	10
Kotak Flexidebt Scheme Institutional	17,738,129	10
SBI SHF Ultra Short Term Institutional	12,882,665	10
Axis Treasury Advantage- Institutional- Growth	98,329	1,000
Reliance Money Manager Fund- Institutional- Growth	159,647	1,000
ICICI Prudential Long Term Floating Rate Plan - Plan C- Growth	10,001,504	10
DSP Blackrock Floating Rate Fund- Institutional- Growth	155,699	1,000
DSP Blackrock Floating Rate Fund- Institutional- Growth	148,984	1,000
ING Treasury Advantage Fund- Institutional- Growth	17,598,311	10
Bharti AXA Short Term Income Fund - Institutional Plan - Growth	9,419,389	10
Bharti AXA Short Term Income Fund - Institutional Plan - Growth	9,579,895	10
Reliance Liquidity Fund- Growth	3,539,272	10
DSP Blackrock Liquidity Fund- Institutional- Growth	119,138	1,000
Axis Liquid Fund- Institutional- Growth	98,537	1,000
Reliance Liquidity Fund- Growth	10,920,843	10
Kotak Liquid- Institutional Premium- Growth	10,772,558	10
HDFC Cash Management Fund Savings Plan- Growth	5,092,376	10

Details of Non - Trade Unquoted Investments Purchased and Sold During the Year

Name of the Mutual Fund / Shares	Quantity	Face Value (Rupees)
DSP Blackrock Liquidity Fund- Institutional- Growth	186,010	1,000
ICICI Prudential Liquid -Super Institutional- Growth	727,084	100
ICICI Prudential Liquid -Super Institutional- Growth	416,203	100
DSP Blackrock Liquidity Fund- Institutional- Growth	1,573	1,000
Reliance Money Manager Fund- Institutional- Growth	38,997	1,000
ING Liquid Fund- Super Institutional- Growth	7,174,013	10
ING Treasury Advantage Fund- Institutional- Growth	14,016,422	10
TI Ultra Short Bond Fund- Super Institutional- Growth	25,655,614	10
IDFC Cash Fund- Super Institutional- Plan C- Growth	36,019,801	10
LICMF Liquid Fund- Growth	4,071,448	10
SBI Premier Liquid Fund- Institutional- Growth	6,700,572	10
SBI Premier Liquid Fund- Institutional- Growth	3,867,946	10
DSP Blackrock Money Manager Fund- Institutional- Growth	74,559	1,000
Axis Treasury Advantage Fund- Institutional- Growth	98,334	1,000
Fidelity FMP Series 2 - Plan A- Growth (3 month FMP)	20,002,690	10
UTI Liquid Fund - Cash Plan - Institutional -Growth	161,528	10
DSP Blackrock Money Manager Fund- Institutional- Growth	47,909	1,000
DSP Blackrock Money Manager Fund- Institutional- Growth	1,617	1,000
Kotak Floater-Long Term- Growth	3,721,970	10
ING Treasury Advantage Fund- Institutional- Growth	278,826	10
ING Treasury Advantage Fund- Institutional- Growth	16,042,726	10
ING Liquid Fund Super Institutional - Growth	14,647,743	10
Kotak Liquid Institutional (Premium)- Growth	1,608,827	10
Reliance Monthly Interval Fund- Series II- Institutional- Growth (1 month FMP)	3,931,961	10
Kotak Floater-Long Term- Growth	10,034,989	10
Reliance Money Manager Fund- Institutional- Growth	81,588	1,000
ING Treasury Advantage Fund- Institutional- Growth	9,288,760	10
LICMF Liquid Fund- Growth	7,702,675	10
Kotak Liquid Institutional (Premium)- Growth	1,305,435	10
DSP Blackrock Liquidity Fund- Institutional- Growth	48,168	1,000
Fidelity FMP Series 2 - Plan E- Growth (3 month FMP)	15,002,012	10
HDFC FMP 35D August 2010 (2)- Series XIV	20,000,000	10
Kotak Floater-Long Term- Growth	2,054,706	10
Kotak Liquid (Institutional Premium) Growth	3,644,941	10
ICICI Prudential Liquid Super Institutional Plan - Growth	357,147	10
Reliance Monthly Interval Fund- Series I- Institutional Growth Plan (1 month FMP)	3,937,659	10
HDFC Cash Management Fund -Treasury Advantage - wholesale - Growth	5,774,978	10
ING Treasury Advantage Fund- Institutional- Growth	4,728,319	10
LIC Liquid Fund - Growth Plan	5,732,367	10
DSP Blackrock FMP -3M Series 19- Growth (maturity 25 Nov 10)	25,000,000	10
HDFC Cash Management Fund -Treasury Advantage - wholesale - Growth	3,927,490	10
Fidelity FMP Series III Plan C Option Growth	20,289,929	10
Fidelity Fixed Maturity Plan Series III - Plan D -Growth	15,000,000	10
LICMF Interval Fund – Monthly Plan Series 1 – Growth	8,363,154	10
ING Treasury Advantage Fund- Institutional- Growth	7,691,095	10
ING Liquid Fund Super Institutional Growth	6,901,326	10
Fidelity Ultra Short Term Debt Fund- Institutional- Growth	12,321,452	10
Fidelity Cash Fund (Super Institutional) Growth	11,719,016	10
ING Treasury Advantage Fund- Institutional- Growth	3,901,830	10

Details of Non - Trade Unquoted Investments Purchased and Sold During the Year

Name of the Mutual Fund / Shares	Quantity	Face Value (Rupees)
Reliance Money Manager Fund- Institutional- Growth	39,017	1,000
UTI Floating Rate- Institutional - Growth (1 month FMP)	235,725	1,000
ICICI Prudential Ultra Short Term Plan - Premium Plus	8,517,485	10
ICICI Prudential Ultra Short Term Plan - Premium Plus	2,838,624	10
ICICI Prudential Ultra Short Term Plan - Premium Plus	4,721,359	10
Reliance Floating Rate Fund - Short Term Plan - Growth	8,054,178	10
Reliance Floating Rate Fund - Short Term Plan - Growth	3,382,838	10
LIC MF Liquid Fund- Growth	5,737,243	10
UTI Liquid Cash Plan Institutional - Growth	31,607	10
UTI Liquid Cash Plan Institutional - Growth	85,247	10
Kotak Quarterly Interval Plan Series 10 - Growth	9,083,104	10
ICICI Prudential Interval Fund V – Monthly Interval Plan A –Institutional Plan – Growth	16,581,491	10
DSP Blackrock FMP – 3M- Series 24 - Growth	25,441,000	10
Fidelity FMP Series 4-Plan C - Growth	20,663,995	10
Reliance Monthly Interval Fund - Series I - Institutional Growth Plan	13,241,858	10
IDFC Money Manager Fund- Treasury Plan-Super Inst Plan C - Growth	4,378,092	10
IDFC Money Manager Fund- Treasury Plan-Super Inst Plan C - Growth	4,347,788	10
ICICI Prudential Floating Rate Plan D- Growth	687,804	10
ICICI Prudential Floating Rate Plan D- Growth	1,110,796	10
Fidelity Ultra Short Term Debt Fund- Super Institutional- Growth	12,318,451	10
Fidelity Ultra Short Term Debt Fund- Super Institutional- Growth	16,685,602	10
Reliance Money Manager Fund- Institutional- Growth	74,768	1,000
Reliance Money Manager Fund- Institutional- Growth	56,848	1,000
IDFC Cash Fund- Super Inst Plan C- Growth	8,523,041	10
Fidelity Cash Fund- Super Institutional- Growth	27,615,294	10
Reliance Liquidity Fund- Growth	5,151,457	10
ING Treasury Advantage Fund- Institutional- Growth	4,597,490	10
UTI Treasury Advantage Fund- Institutional- Growth	45,768	1,000
UTI Treasury Advantage Fund- Institutional- Growth	32,240	1,000
ING Treasury Advantage Fund- Institutional- Growth	3,091,916	10
ICICI Prudential FMP Series 51- 13MONTHS PLAN C	3,500,000	10
ICICI Prudential Long Term Floating Rate Plan - Plan C-Growth (6 months)	15,738,543	10
HDFC Cash Management Fund Savings Plan	726	10
ICICI Prudential Liquid- Super Institutional- Growth	1,114,233	10
HDFC Short Term Plan- Growth (6 months)	5,450,661	10

Schedules Annexed to and forming part of the Balance Sheet as at 31st March, 2011

	Rupees	31-03-2011 Rupees	31-03-2010 Rupees
SCHEDULE F			
CURRENT ASSETS, LOANS & ADVANCES			
CURRENT ASSETS			
Inventories :			
- Stock of Spares & Maintenance Items		18,802,217	24,961,275
Sundry Debtors			
(Unsecured but Considered Good, to the extent not provided for)			
- Outstanding for More than 6 Months	861,518,388		809,733,351
- Others	1,174,050,927		767,757,660
	2,035,569,315		1,577,491,011
Less: Provision for Bad and Doubtful Debts	423,623,091		362,923,371
		1,611,946,224	1,214,567,640
Cash and Bank Balances			
Cash in hand	4,539,954		3,904,335
Balance with Scheduled Banks			
- In Current Accounts	134,357,940		712,069,290
- In Fixed Deposits	114,862,167		29,334,274
(Rs. 61,933,980 (P.Y. Rs. 27,554,175) pledged as Securities against Term Loan and Non fund based facilities granted by Banks)		253,760,061	745,307,899
(Balance in Current Account with Schedule Bank includes Rs.875,932,500 (P. Y. 594,445,694) represents unutilised monies raised by issue of equity shares.)			
LOANS AND ADVANCES			
(Unsecured but considered good, to the extent not provided for)			
Sundry Deposits		175,830,153	136,738,027
Advances recoverable in cash or kind for value to be received			
Advances to Subsidiaries	676,784,376		672,178,413
Advances to firm in which Subsidiary Companies are partner	165,015,779		148,533,161
Advances to other Cable Ventures	61,018,580		53,432,508
Advances for Network Acquisitions	9,507,614		13,292,226
Sundry Advances	184,223,871		96,488,334
Loans given	11,447,849		20,716,138
Share Application Money with Subsidiary Companies	117,732,490		1,126,294
Prepaid Expenses	150,943,066		117,601,881
Direct Taxes Paid (Net of Provision)	158,168,053		142,698,985
CENVAT Receivable	59,400,525		134,661,243
Service Tax Claimable	130,052,182		104,131,291
Staff Advances	3,428,589		3,101,407
Staff Loans	5,189,091		4,296,199
Other Receivables	5,252,989		6,037,808
	1,738,165,055		1,518,295,888
Less: Provision for doubtful advances			
- Against Advances to Subsidiaries / firm in which Subsidiary Companies are partner / Other Cable Ventures	631,995,971		607,629,002
- Against Advances to Others	9,324,895		8,324,895
		1,096,844,189	902,341,991
Total Current Assets		3,157,182,844	3,023,916,832

	Rupees	31-03-2011 Rupees	31-03-2010 Rupees
SCHEDULE G			
CURRENT LIABILITES & PROVISIONS			
CURRENT LIABILITIES			
Sundry Creditors for Capital Goods #	638,693,140		679,170,294
Sundry Creditors for Expenses and Trade Liabilites #	532,360,212		667,648,186
Income received in Advance	405,289,684		448,139,962
Outstanding Liabilities for Expenses	140,853,380		120,058,071
Interest Payable	7,735,853		12,703,688
Service Tax accrued but not due	170,621,607		123,473,353
Other Liabilities	94,696,241		142,150,614
Security Deposits Received	114,311,644		117,373,858
		2,104,561,761	2,310,718,026
PROVISIONS			
Provision for Employee Benefits	46,362,577		38,958,091
Provision for Wealth Tax	70,000		117,065
		46,432,577	39,075,156
		2,150,994,338	2,349,793,182
# This include Rs.161,056/- (P.Y. Rs.74,825/-) due to Small & Micro Enterprises			

Schedules Annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2011

	2010-2011 Rupees	2009-2010 Rupees
SCHEDULE H		
INCOME FROM OPERATIONS		
Subscription Income	4,362,682,413	3,734,277,444
Consultancy Income	153,662,854	97,847,416
Rental Income on Equipments	109,615,485	108,917,614
Advertisement Income	35,471,912	39,473,352
Interest - Cable Ventures (TDS Rs. 57,780 (P.Y. Rs. 539,760))	577,800	2,233,054
Sale of Access Devices	5,165,672	2,300,042
Other Operational Income	71,491,246	35,194,496
	4,738,667,382	4,020,243,414
SCHEDULE I		
OTHER INCOME		
Profit on Sale of Current Investments (Net)	142,923,434	27,202,499
Interest on Certificate of Deposits	44,150,203	-
Amount No Longer Payable Written Back	9,869,948	10,573,853
Interest on Fixed Deposits (TDS Rs. 537,082 (P.Y. Rs. 352,123))	5,997,784	3,660,740
Interest on Income Tax Refund	4,438,978	-
Interest on Loans (TDS Rs. Nil (P.Y. Rs. Nil))	325,041	408,433
Discount Received	20,112	1,984,744
Dividend Income on Current non-trade Investments	-	344,168
Miscellaneous Income	3,214,742	3,202,207
	210,940,242	47,376,644
SCHEDULE J		
OPERATIONAL EXPENSES		
Pay Channel Cost	1,196,935,848	1,054,236,139
Distribution Cost	282,313,802	161,921,404
Commission	229,805,115	201,734,671
Repairs & Maintenance (Plant & Machinery)	134,330,533	144,111,075
Bandwidth & Lease Line Cost	118,353,277	126,755,258
Rent	91,375,531	75,023,367
Feed charges	44,604,293	42,500,141
Consultancy & Technical Fees	34,339,752	33,456,866
Other Sundry Operational Cost	24,953,664	22,576,826
Freight & Octroi Charges	19,869,180	14,566,573
Software & Programming Cost	18,035,722	25,032,084
Cost of Access Devices sold	14,038,568	6,243,217
Hire Charges	11,902,303	23,587,649
	2,220,857,588	1,931,745,270

	2010-2011 Rupees	2009-2010 Rupees
SCHEDULE K		
STAFF COST		
Salaries & Bonus	317,757,400	247,503,181
Contribution to Funds	25,369,332	13,954,895
Other Staff Cost	47,358,917	41,437,265
Employee Compensation Expense	4,802,882	7,469,869
Staff Welfare	21,173,181	17,498,348
	416,461,712	327,863,558
SCHEDULE L		
SELLING, ADMINISTRATION AND GENERAL EXPENSES		
Service Charges	324,583,523	301,480,570
Bad Debts 230,998,520		383,358,525
Less: Transferred from Provision for Bad and Doubtful Debts 230,998,520		383,358,525
	-	-
Provision for Bad and Doubtful debts	291,698,241	258,904,317
Electricity Expenses	84,139,488	74,883,797
Rates & taxes	70,428,726	69,835,253
Office Expenses	61,565,921	56,536,689
Rent	50,551,832	44,677,053
Conveyance	49,717,876	49,500,722
Legal & Professional Charges	53,525,937	47,160,859
Advertisement & Publicity Expenses	41,956,928	25,668,997
Loss on disposal / shortage of assets	40,933,057	24,707,551
Communication Charges	39,087,878	40,233,592
Repairs & Maintainance (Others)	23,323,782	22,375,569
Travelling	19,218,992	14,552,286
Miscellaneous Expenses	14,789,714	7,793,133
Printing & Stationery	14,619,463	12,714,198
Business Promotion Expenses	10,198,191	5,890,753
Sundry Advances Written Off	3,264,665	2,222,927
Insurance Charges	2,868,139	2,916,959
Interest on Taxes	1,541,600	1,183,421
Directors' Sitting Fees	1,290,000	430,000
Brokerage	1,115,600	457,150
Provision for Bad & Doubtful Advances	890,769	1,264,501
Hire Charges	250,319	118,756
Donation	184,930	219,315
Wealth Tax	70,000	110,000
Share of Loss in Partnership firm	-	11,181
	1,201,815,571	1,065,849,549
SCHEDULE M		
Interest and Finance Charges		
Interest and Finance Charges	316,221,150	465,362,995
Bank Charges	70,155,750	43,734,391
	386,376,900	509,097,386

Significant Accounting Policies and Notes Forming Part of Accounts for the year ended 31st March 2011.**SCHEDULE N****BACKGROUND**

The Company is Multi System Operator (MSO) and engaged in distribution of television channels through analog and digital cable distribution network and internet services through cable.

A. SIGNIFICANT ACCOUNTING POLICIES**1) METHOD OF ACCOUNTING:**

These financial statements are prepared on accrual basis of accounting, following historical cost convention, in accordance with the provisions of the Companies Act, 1956 ('the Act'), accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2) USE OF ESTIMATES:

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

3) FIXED ASSETS:**a) Intangible Assets**

- (i) Intangible assets comprises of Cable Television Franchise, Movie & Serial Rights, Bandwidth Rights, Goodwill and Softwares.
- (ii) Intangible assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortisation and impairment losses, if any. Internally generated intangible assets are not recognised in the books of accounts.

b) 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) Set Top Boxes and Internet Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalised or treated as sale as the case may be.

4) DEPRECIATION / AMORTISATION:

- a) The intangible assets are amortised on a straight line basis over their expected useful lives as follows:
 - (i) Cable Television Franchise is amortised over a period of twenty years.
 - (ii) Non Compete Fees classified in Goodwill is amortised over the non-compete period stated in the underline agreement and in absence of the same, over ten years.
 - (iii) Goodwill arising on transfer of business of subsidiaries is fully amortised in the same year.
 - (iv) Goodwill other than mentioned above is amortised over the specific tenor of the relevant agreement and in absence of such tenor, over ten years.
 - (v) Softwares are amortised over the license period and in absence of such tenor, over five years.
 - (vi) Movie Rights are amortised on exploitation over the balance license period in equal instalments.
 - (vii) Bandwidth Rights are amortised over the period of the underlying agreements.
- b) Depreciation on tangible fixed assets, except Set Top Boxes, is computed on written down value method, at the rates prescribed in Schedule XIV to the Companies Act, 1956. In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale or disposal as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- c) The cost of Set Top Boxes (STB) net of estimated realizable value is depreciated on straight-line method over a period of eight years except STB deployed in Conditional Access System (CAS), notified areas, And such STB's are depreciated over a period of five years. [Refer Note B(11)]

5) **INVESTMENTS:**

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:**

Certificate of Deposits are valued at lower of amount of cost and proportionate income thereon or rates published by FIMMDA. Other current investments are recorded at lower of cost or fair value.

6) **INVENTORIES**

Inventories comprise of spares and maintenance items, which are valued at lower of cost (net of taxes recoverable) and net realizable value.

7) **BORROWING COSTS:**

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised 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.

8) **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

a) A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are reviewed on each balance sheet date and are adjusted to effect the current best estimation.

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

i. a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.

ii. a possible obligation, unless the probability of outflow of resources is remote.

c) Contingent Assets are neither recognised, nor disclosed.

9) **EMPLOYEE BENEFITS:**

a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

b) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

c) In respect of employees' stock options, the excess of fair price on the date of grant over the exercise price is recognized uniformly over vesting period of the option.

10) **ACCOUNTING FOR LEASES:**

a) **As Lessee – Operating Lease**

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

b) **As Lessor – Operating Lease**

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

c) **As Lessee – Finance Lease**

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

Lease rentals payable is apportioned between principal and finance charge using the internal rate of return method. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of liability.

d) Initial direct cost is charged off to Profit & Loss account in the year of lease.

11) **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.

Revenue from sale of prepaid Internet Service plans, which are active at the year end, is recognized on time proportion basis. In other cases of sale of prepaid Internet Service plans, entire revenue is recognized in the year of sale.

The revenue relating to Conditional Access System (CAS) notified areas is governed by TRAI and the same is recognised in accordance with prescribed regulations.

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 rate is under negotiations at the time of recognition of revenue, the Company recognises 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.

Other Revenue from Operations is recognised on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties.

Lease rentals are recognized on accrual basis over the terms of related agreements.

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

Advertisement revenue is accrued on release of the advertisement for public viewing.

Interest income is recognized on accrual basis.

12) 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 recognised 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 recognised only to the extent that there is a reasonable certainty of realisation in future.

13) FOREIGN CURRENCY TRANSACTIONS

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

14) 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 recognised in the profit and loss account. 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.

B. NOTES ON ACCOUNTS:

1. The Equity Shares of the Company were consolidated into shares with a face value of Rs. 10 each from Re. 1 each pursuant to resolution dated 26th August, 2009.

2. CONTINGENT LIABILITIES

- a) The Company has given a counter indemnity favouring the bankers to the extent of Rs.60,988,500 (Previous Year Rs. 59,788,500) for issue of Bank Guarantees.
- b) The Company has given Corporate Guarantee of Rs.742,345,000 (Previous Year – Rs. 438,250,000) to a Bank towards various credit facilities given by the Bank to its Subsidiary Companies.

- c) Outstanding Letters of Credit Rs.227,846,361 (Previous Year Rs. 182,484,780) secured against assets acquired under LC facility, hypothecation of present and future current assets of the Company and extension of pari passu hypothecation of present and future movable fixed assets of the Company. This includes Rs. NIL (P. Y. Rs. 39,237,000) utilised for one of the subsidiary, Gujarat Telelink Private Limited.
- d) Pending finalization of negotiations with one of the broadcasters, the Company has accounted pay channel cost net of discounts expected from such broadcaster. The Company as well as few broadcasters have claims and counter claims against each other, which are yet to be finalized and settled. The contingent liability in respect of such claims wherever ascertained, have been considered under Claims against the Company not acknowledged as debts.
- e) The relevant Authority under the Karnataka Sales Tax / VAT had initiated proceeding to reassess the Company's liability for the financial years 2001-02 to 2008-09 on the argument that light energy created while using OFC network for the purposes of transmission is goods and hence liable to tax under relevant state legislation.

On writ petition, the Karnataka High Court has held against the Company. On further appeal, the Honourable Supreme Court remanded the matter to the Tribunal. However, Sales Tax Tribunal did not entertain the appeal of the Company as no assessment was made.

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

- f) Pursuant to various amendments under Karnataka Entertainment Tax Act, 1958 to levy entertainment tax on LCO's and MSO's, the Government of Karnataka has issued various notices for re-assessment for various periods. The Company has challenged the notices and validity of amendments with the Hon'ble High Court of Karnataka. The Hon'ble High Court of Karnataka has issued stay order against such notices on payment of Rs. 6,431,950 being 50% of the Basic Entertainment Tax liability.

The Company has filed a petition before the Honourable Court of Andhra Pradesh challenging the virus of the amendment to the Andhra Pradesh Entertainment Tax Act, 1939 which has resulted in the levying of the Entertainment Tax on MSOs. The petition has been admitted and the levy and the action pursuant thereto have been ordered to be stayed.

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

g) **Income Tax Matters**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Income Tax matter under appeal	39,896,066	Nil

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

Matters with	Amount (in Rs.)	
	2010-2011	2009-2010
Broadcasters/Channels	38,060,471	101,508,887
Operators	53,761,542	53,741,453
Entertainment Tax Department	53,648,976	52,675,456
Other Statutory Departments	581,373	6,767,385
Other miscellaneous matters	1,515,574	12,552,454
Total	142,414,172	227,245,635

3) **Matters relating to Subsidiaries:**

- a) Two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. or Hathway Internet Satellite Pvt. Ltd. are majority partners in a partnership firm namely M/s. Hathway Space Vision. The aforesaid majority partners of the firm had initiated legal action against the minority partners viz. Space Vision Cabletel Pvt. Ltd. with reference to some management and operational issues. The majority partners and the Company had lodged certain claims against the minority partners. Pursuant to Order passed by High Court dated 22nd March 2005, the matter was referred for the arbitration before Justice S. P. Bharucha (Retd.) An award has been passed by Justice S. P. Bharucha (Retd.), on 14th September, 2009 dismissing all claims as well as counter claims. Pursuant to dismissal of claims under arbitration, on 7th October, 2009 the majority partners have filed a petition before Bombay High Court under section 9 of Arbitration and Conciliation Act seeking extension of restraining Interim Orders dated 12th May, 2004 and 22nd March, 2005 passed by the Hon'ble High Court against the minority partners. The Hon'ble High Court has been pleased to extend the said restraining Interim Order. On 5th November 2009 the majority partners have filed an Appeal before the Bombay High Court under section 34 of Arbitration and Conciliation Act, challenging the award dated 14th September 2009. The same is pending for hearing. Pending the Arbitration, on 2nd March 2009, the majority partners have also filed a Petition before the Bombay High Court seeking the interim relief for appointment of court receiver in order to carry out the activity of collection of subscription from the customers / operators. The same is also pending for hearing.

The Company based on legal advice has not made any provision towards claims raised by the minority partner of the firm and are considered as claims against the Company not acknowledged as debt. Hence, this joint venture has been excluded from consolidation as it operates under severe long term restrictions which significantly impair its ability to transfer funds to the Company.

- b) The Company has filed petition to wind up Hathway Jai Mata Di Sherawali Cable & Datacom Private Limited (HJMD), a Subsidiary Company, on just and equitable ground. The Company has investment of Rs. 8,000,000 and Receivable of Rs. 7,450,717 from HJMD and the same have been fully provided for. In view of the Management disputes with the Other Shareholders, the Company has decided to take such an action. The Delhi High Court by its order dated May 5, 2010 records of HJMD has submitted the petition and has opined that it is just and equitable that the Company be wound up. The Official Liquidator of the Delhi high Court has been appointed as the provisional liquidator of the Company and has been directed to take overall the assets and books of accounts and records of the Company.
- c) During the year Company has, in respect of Hathway Channel 5 Cable & Datacom Private Limited, a 51:49 joint venture in Delhi, filed a complaint against joint venture partner for committing various criminal offences such as misappropriation of funds, falsification of accounts, fraudulent destruction of security etc. and has made claim of Rs. 74,321,905. The matter is pending. The exposure of the Company is Rs. 104,934,075 against which a provision of Rs. 62,819,311 is made.
- 4) Additional Information as required under Part II of Schedule VI to the Companies Act, 1956 have been given to the extent applicable to the Company.

	Particulars	Current Year (Rs.)	Previous Year (Rs.)
A	CIF Value of Imports:		
	Capital Goods	848,210,397	185,292,109
	Stores, Spares and Others	12,260,710	9,720,385
B	Consumption Details of Stores, Spares & Others:		
	Value of Imported Stores, Spares & Others consumed during year	3,748,133	1,950,264
	Percentage of total consumption	21.48%	11.54%
	Value of Indigenous Stores, Spares & Others consumed during year	13,698,777	14,954,336
	Percentage of total consumption	78.52%	88.46%
C	Expenditure in foreign currency		
	- Interest	16,008,172	28,651,084
	- Share Issue Expense	Nil	16,037,333
	- Repairs and Maintenance	9,125,056	11,856,808
	- Foreign Travel	4,843,427	1,666,627
	- Others	1,733,574	2,860,089
D	Earning in foreign currency	Nil	Nil
E	Details of Auditors' Remuneration included in Legal & Professional Fees :		
	Statutory Audit Fees	3,000,000	1,700,000
	Tax Audit Fees	750,000	825,000
	Limited Review, Consolidation & Certification Fees	2,550,000	-
	Tax Representation Fees	100,000	-
	Other Consultancy Services	2,875,000	40,673
	Out of pocket expenses	91,658	500
	Auditor's Remuneration excludes Rs.Nil (Rs.7,853,535) being audit fees for consolidation and certification in connection with the Prospectus, have been included in the Share issue expenses.		

- 5) Estimated amount of contracts (including acquisition of intangible assets net of advances) remaining to be executed on capital account and not provided for aggregate to Rs.760,785,549 (Previous year Rs. 102,526,288).

6) TURNOVER, CLOSING AND OPENING STOCKS:

Quantitative Details of Cable Television and Internet Access Devices

Particulars	2010-2011		2009-2010	
	Units	Amount	Units	Amount
Opening Stock	-	-	-	-
Add: Purchases	8,993	14,038,568	2134	6,243,217
Less: Sales	8,993	5,165,672	2134	2,300,036
Closing Stocks			-	-

For Opening Stock and Closing Stock refer significant accounting policy no. 3 (b) (ii).

- 7) The Company has initiated circulation of letters to its suppliers requesting them to confirm whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). Few of the enterprises have responded till date regarding their status under the said Act and the balance confirmations are still awaited. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of this Act is not expected to be material. The disclosure has been made in the accounts to the extent confirmations have been received. This has been relied upon by the Auditors.
- 8) The debtors include 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, the Debtors and Loans & Advances have a realizable value in the ordinary course of business not less than the amount at which they are stated in the Balance Sheet.
- 9) The Company in its ordinary course of business has promoted / acquired interest in various entities. The Company's exposure to these entities on account of Investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Sundry Debtors is Rs. 2,686,763,281 (Previous Year Rs. 2,563,514,478), Rs. 1,020,556,884 (Previous Year Rs. 900,270,376) and Rs. 490,526,323 (Previous Year Rs. 340,118,350) respectively. Most of the entities have accumulated losses and negative net worth. The Company's exposure to such loss making entities on account of investments in equity shares and preference shares, on account of amounts advanced as Loans & Advances and Sundry Debtors is Rs. 475,529,504 (Previous Year Rs. 478,001,508), Rs. 726,181,972 (Previous Year Rs. 691,418,055) and Rs. 258,683,331 (Previous Year Rs. 241,157,947). The Company has made provision on overall basis of Rs. 107,631,965 (Previous Year Rs. 55,124,780), Rs. 619,727,136 (Previous Year Rs. 607,629,002) and Rs. 62,865,799 (Previous Year Rs. 70,207,286) against such Investments, Loans and Advances and Sundry Debtors respectively.

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

The provision made in respect of above during the year, is considered under Exceptional Item in the Profit and Loss Account.

- 10) During the year 2009-10, due to certain business exigencies in the state of Tamil Nadu, local cable operators and subscribers had migrated to competing Multi System Operator (MSO) and other service providers. As a consequence, the Company relocated part of its assets to other States so as to maximize the economic returns to the Company. Based on initial estimate in FY 2009-10 provision for loss of Distribution Equipments (excluding Access Devices) and other assets aggregating to Rs. 116,073,964 was made in the books as an Exceptional Item. In addition, the Company had also made a provision of Rs. 40,307,799 for the outstanding debtors. The Company has been consistently in the process of recovering Access Devices and other assets. During the year 2010-11, the process of recovering Access devices has yielded results and the Company expects to continue this process of retrieval in the next financial year as well. However, as a matter of abundant caution, an additional provision to the extent of Rs. 56,593,892 has been made as an Exceptional Item. The balance WDV of the Distribution Equipments, Access Devices and Other Assets located in the State of Tamil Nadu as on 31st March, 2011 is Rs. 6,552,000, Rs. 112,653,753 and Rs. 1,086,104 respectively. In view of the management, the provision made till date towards impairment and loss of assets is adequate and the value of the balance assets would be at least equivalent to written down value and hence no provision is considered necessary.
- 11) During the previous year, based on the past performance of Set Top Boxes deployed by the Company, and further based on the technical certification, the Company had decided to change its policy and recompute the depreciation with retrospective effect on a straight line basis over a period of eight years. The reversal of depreciation for earlier years amounting to Rs. 64,398,315 was credited to Profit and Loss account and shown under Exceptional Item.
- 12) Loans and Advances include Rs. 2,767,912 (Previous Year Rs. 2,767,912) due from Managing Director [Maximum amount outstanding during the year Rs. 2,767,912 (Previous Year Rs. 2,767,912)]
- 13) Sundry Debtors include receivable from private companies in which director of the Company is a director or member as detailed below:

Particulars	Current Period (Rs.)	Previous Year (Rs.)
To subsidiary companies carrying Cable TV business	103,823,493	90,214,987
Other Companies	Nil	941,267

- 14) Loans and Advances include receivable from private companies in which director of the Company is a director or member as detailed below:

Particulars	Current Period (Rs.)	Previous Year (Rs.)
To subsidiary companies carrying Cable TV business	271,527,019	180,709,861
Other Cable Ventures	Nil	Nil

- 15) **EMPLOYEE STOCK OPTION PLAN**

The shareholders of the Company have approved Employee Stock Option Plan i.e. HATHWAY ESOP 2007 ("The Plan"). The Plan provides for issue of options (underlying equity share of Re. 10 each) to the persons specified in the scheme at the price determined

by the remuneration committee appointed by the Board of Directors. Price determined by the remuneration committee is in the range of Rs. 110.20 to Rs. 157.30.

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

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

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

Particulars	31 st March 2011 (Rs.)	31 st March 2010 (Rs.)
Total accounting value of Options Outstanding (A)	17,129,765	29,850,009
Deferred Employee Compensation Expense	36,484,048	41,734,423
Less: Amortised	24,157,165	19,354,283
Net Deferred Employee Compensation Expense (B)	12,326,883	22,380,140
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	4,802,882	7,469,869

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

Shares Underlying Options Outstanding

Sr. No.	Particulars	31 st March 2011 (Rs.)		31 st March 2010 (Rs.)	
		No. of Shares	Weighted Average Exercise Price (Rs.)	No. of Shares#	Weighted Average Exercise Price (Rs.)
A	a Outstanding at the beginning of the year	879,499	116.97	928,500	115.86
	b Granted during the year	Nil	Nil	60,000	121.98
	c Forfeited/ Cancelled during the year	109,500	110.20	109,000	110.20
	d Exercised during the year	Nil	Nil	1	110.00
	e Expired during the year	Nil	Nil	Nil	Nil
B	Outstanding at the end of the year	769,999	117.33	879,499	116.97
C	Exercisable at the end of the year	456,999	117.09	346,799	116.66
D	Method of Settlement	Equity	Equity	Equity	Equity
E	Weighted average remaining contractual life (in months)	19.89		31.84	
F	Weighted average Fair Value of Option granted during the year #		Nil		110.02

Number of shares and weighted average fair value of options granted during the year for previous year has been adjusted for change in face value from Re.1 to Rs. 10 w.e.f. August 26, 2009.

16) PRIOR PERIOD ITEMS

Detail of Prior Period Income and Expenses is as under:

Particulars	Current Year	Previous Year
Income of earlier years credited to Profit and Loss Account	4,729,915	110,952
Expenses of earlier years reversed and credited to Profit and Loss Account	3,367,986	7,836,594
TOTAL CREDIT (A)	8,097,901	7,947,546
Income of earlier years reversed and debited to Profit and Loss Account	327,281	1,237,640
Expenses of earlier years debited to Profit & Loss Account	29,250,238	12,903,092
TOTAL DEBIT (B)	29,577,519	14,140,732
Net (Debit) / Credit to Profit & Loss Account (A-B)	(21,479,618)	(6,193,184)

Rectification relating to earlier years has resulted in increase in Sundry Debtors And decrease in Loans & Advances by Rs.25,000,000 as of March 31, 2010.

17) EMPLOYEE BENEFITS

a) Defined Benefit Plans:

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

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

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

	Category	As at 31st March 2011 [Gratuity (Rs.)]	As at 31st March 2010 [Gratuity (Rs.)]
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	13,098,219	11,660,756
	Current Service Cost	12,894,806	2,852,484
	Interest Cost	913,388	823,762
	Benefits Paid	(2,638,379)	(1,891,740)
	Actuarial Gain / (Loss)	1,064,883	(347,043)
	Projected benefit obligations at end of the year	25,332,917	13,098,219
2	Change in plan assets:		
	Plan assets at the beginning of the year	14,675,293	8,671,596
	Expected return on plan assets	1,415,665	861,940
	Actuarial Gain / (Loss)	(127,462)	2,235,191
	Contributions	8,593,796	4,883,979
	Benefits Paid	(2,638,379)	(1,977,413)
	Plan assets at the end of the year	21,918,913	14,675,293
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Fair Value of plan assets at the end of the year	21,918,913	14,675,293
	Present value of the defined benefit obligations at the end of the year	25,332,917	13,098,219
	Liability / (Asset) recognised in the Balance Sheet	3,414,004	(1,577,074)
4	Cost for the year		
	Current Service Cost	12,652,871	2,852,484
	Interest Cost	913,388	823,762
	Expected return on plan assets	(1,415,665)	(861,940)
	Actuarial Gain / (Loss)	1,192,345	(2,369,783)
	Net Cost recognised in the Profit and Loss Account	13,342,939	444,523
5	Assumptions		
	Interest rate for discount	8.05%	7.75%
	Estimated rate of return on plan assets	8.05-9.15%	5%-8%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	10% For 1 year and 7% thereafter	4.00%

b) Defined Contribution Plans:

“Contribution to provident and other funds” is recognised as an expense in Schedule L of the Profit and Loss Account

18) SEGMENTAL REPORTING

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

19) RELATED PARTY DISCLOSURES

Particulars of Related Parties**A Controlled by:***(Upto 19th February 2010)*

Mr. Rajan Raheja

Mr. Akshay Raheja

Mr. Viren Raheja

Hathway Investments Pvt. Ltd.

Spur Cable & Datacom Pvt. Ltd.

Asian Cable Systems Pvt. Ltd.

B Under Control of the Company

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

Hathway Cable & Datacom Limited

		Net 9 Online Hathway Pvt. Ltd. Hathway Bhawani Cabletel and Datacom Ltd.* Hathway Dattatray Cable Network Pvt. Ltd. Hathway Bhaskar Pagariya Multinet Pvt. Ltd. CCN Entertainment India Pvt. Ltd. Chhattisgarh Broadband Network Pvt Ltd. Kokan Crystal Cable Network Pvt. Ltd.
C	Others	
1	Associate Company and Joint Ventures:	Pan Cable Services Pvt. Ltd. Hathway VCN Cabletel Pvt. Ltd. Hathway Sukhamrit Cable & Datacom Pvt. Ltd.** Hathway Space Vision Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd. Hathway Jai Mata Di Balaji Cable Network (since dissolved) Mantra Cable (since dissolved) Mona Cable Network (since dissolved)
2	Companies / Firms under the Significant Influence of Persons having control over the Company (upto 19 th February 2010)	Globus Stores Pvt. Ltd. R & S Business Centre Outlook Publishing (India) Pvt. Ltd.
3	Key Managerial Personnel	K Jayaraman-Managing Director

* Hathway Bhawani Cabletel and Datacom Ltd was a joint venture upto 31st August 2009.

**Hathway Sukhamrit Cable & Datacom Pvt. Ltd. was a subsidiary upto 1st September 2009

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

Related Party	Year	Income		Expense				Managerial Remuneration	Other Expenses
		Subscription Income	Consultancy Income	Rental Income on Equipments	Other Operational Income	Distribution Cost	Feed charges		
Hathway Bhaskar CBN Multinet Pvt. Ltd.	2010-11	73,500	Nil	Nil	Nil	6,879,781	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(1,321,274)	(Nil)	(Nil)	(Nil)
Gujarat Telelink Pvt. Ltd.	2010-11	2,953,722	15,000,000	16,951,824	20,000,000	9,999,993	Nil	Nil	Nil
	2009-10	(3,686,646)	(44,451,822)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	2010-11	73,500	Nil	Nil	Nil	8,987,740	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(1,321,274)	(Nil)	(Nil)	(Nil)
Hathway Bhaskar CCN Multinet Pvt. Ltd.	2010-11	73,500	Nil	Nil	Nil	7,070,082	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(1,321,274)	(Nil)	(Nil)	(Nil)
Hathway Bhaskar Multinet Pvt. Ltd.	2010-11	3,260,600	Nil	5,260,236	7,240,838	77,389,203	Nil	Nil	Nil
	2009-10	(941,859)	(1,873,648)	(5,260,236)	(Nil)	(37,641,114)	(Nil)	(Nil)	(Nil)
Hathway Bhawani Cabletel & Datacom Ltd.	2010-11	8,782,434	Nil	178,517	Nil	9,978,766	Nil	Nil	Nil
	2009-10	(12,089,187)	(293,960)	(Nil)	(Nil)	(2,049,999)	(Nil)	(Nil)	(Nil)
Hathway Cable MCN Nanded Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	2,194,285	206,709	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(3,042,876)	(241,898)	(Nil)	(Nil)
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2010-11	6,242,514	Nil	Nil	Nil	1,626,917	Nil	Nil	119,674
	2009-10	(29,816,191)	(Nil)	(Nil)	(Nil)	(3,894,943)	(Nil)	(Nil)	(Nil)
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	2010-11	52,500	Nil	Nil	Nil	13,596,671	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(2,278,339)	(Nil)	(Nil)	(Nil)
Hathway Gwalior Cable & Datacom Pvt. Ltd.	2010-11	82,950	1,800,000	Nil	Nil	5,277,863	Nil	Nil	Nil
	2009-10	(1,800,000)	(Nil)	(Nil)	(Nil)	(5,967,646)	(Nil)	(Nil)	(Nil)
Hathway Ice Television Pvt. Ltd.	2010-11	189,000	Nil	Nil	Nil	5,400,230	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Kokan Crystal Cable Network Pvt. Ltd.	2010-11	Nil	201,471	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Krishna Cable Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	7,794,225	Nil	Nil	Nil
	2009-10	(5,000,000)	(Nil)	(Nil)	(Nil)	(5,543,743)	(Nil)	(Nil)	(Nil)
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	1,991,665	Nil	Nil	Nil
	2009-10	(Nil)	(1,300,000)	(Nil)	(Nil)	(2,516,819)	(195,830)	(Nil)	(Nil)
Hathway MCN Pvt. Ltd.	2010-11	Nil	10,571,334	Nil	Nil	19,237,068	22,939,500	Nil	Nil
	2009-10	(Nil)	(8,700,000)	(Nil)	(Nil)	(17,198,558)	(22,631,713)	(Nil)	(Nil)
Hathway Media Vision Pvt. Ltd.	2010-11	29,648,137	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(4,050,000)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(485,000)
Hathway Mysore Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	6,202,432	1,349,058	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(3,567,326)	(Nil)	(Nil)	(Nil)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2010-11	29,223,430	2,400,000	Nil	Nil	7,109,632	Nil	Nil	548,504
	2009-10	(34,290,646)	(2,400,000)	(Nil)	(Nil)	(5,584,422)	(Nil)	(Nil)	(Nil)
Hathway Palampur Cable Network Pvt Ltd	2010-11	26,250	1,020,000	Nil	Nil	1,998,324	Nil	Nil	Nil
	2009-10	(Nil)	(1,721,000)	(Nil)	(Nil)	(1,451,664)	(Nil)	(Nil)	(Nil)
Hathway Prime Cable & Datacom Pvt. Ltd.	2010-11	Nil	540,000	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(360,000)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Rajesh Multi Channel Pvt. Ltd.	2010-11	290,000	13,688,000	Nil	Nil	11,061,453	Nil	Nil	Nil
	2009-10	(3,633,777)	(13,688,000)	(Nil)	(Nil)	(9,933,812)	(Nil)	(Nil)	(Nil)

Related Party	Year	Income			Expense				
		Subscription Income	Consultancy Income	Rental Income on Equipments	Other Operational Income	Distribution Cost	Feed charges	Managerial Remuneration	Other Expenses
Hathway Sai Star Cable & Datacom Pvt. Ltd.	2010-11	Nil	48,440,000	Nil	Nil	17,513,884	Nil	Nil	Nil
	2009-10	(Nil)	(28,505,000)	(Nil)	(Nil)	(9,433,331)	(Nil)	(Nil)	(Nil)
Hathway Software Developers Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	11,208,197	7,210,623	Nil	42,584
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(8,132,130)	(7,210,623)	(Nil)	(170,000)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2010-11	Nil	26,893,740	Nil	Nil	Nil	1,897,567	Nil	Nil
	2009-10	(Nil)	(24,767,750)	(Nil)	(Nil)	(Nil)	(1,369,986)	(Nil)	(Nil)
Hathway Sukhamrit Cable & Datacom Pvt Ltd	2010-11	Nil	30,000,000	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway United Cables Network Pvt. Ltd.	2010-11	Nil	600,000	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway VCN Cablenet Pvt. Ltd.	2010-11	1,520,831	Nil	Nil	Nil	1,520,834	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(1,506,582)	(Nil)	(Nil)	(Nil)
Ideal Cables Pvt. Ltd.	2010-11	27,951,431	Nil	Nil	Nil	19,339,840	Nil	Nil	Nil
	2009-10	(6,095,019)	(Nil)	(Nil)	(Nil)	(4,304,996)	(Nil)	(Nil)	(Nil)
K. Jayaraman	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	9,804,157	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(10,833,673)	(Nil)
Liberty Media Vision Pvt. Ltd.	2010-11	716,015	Nil	Nil	Nil	Nil	Nil	Nil	71,524
	2009-10	(Nil)	(Nil)	(Nil)	(1,285,953)	(Nil)	(Nil)	(Nil)	(136,383)
Net 9 Online Hathway Pvt. Ltd.	2010-11	1,460,647	2,475,000	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(2,307,500)	(1,200,000)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
UTN Cable Communication P.Ltd.	2010-11	Nil	Nil	Nil	Nil	13,856,774	6,567,396	Nil	605,000
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(8,022,039)	(6,567,396)	(Nil)	(661,658)
R R & S Business Centre	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(420,000)
Hathway Ice Television Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(2,760,004)	(Nil)	(Nil)	(Nil)
Globus Stores	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(850,000)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Outlook Publishing (India) Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(552,000)	(Nil)	(12,000)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Nashik Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(1,125,145)	(Nil)	(Nil)

Related Party	Year	Interest - Cable Ventures Expense	Service Charges Expense	Purchase of Assets	Sale of Assets
Hathway Software Developers Pvt. Ltd.	2010-11	577,800	-	-	-
	2009-10	(2,233,054)	-	-	-
Hathway Media Vision Pvt Ltd	2010-11	-	110,656,687	-	-
	2009-10	-	(119,042,180)	-	-
Gujarat Teelink Pvt. Ltd.	2010-11	-	-	5,158,661	-
	2009-10	-	-	(Nil)	-
Hathway Bhawani Cabletel & Datacom Ltd.	2010-11	-	-	299,742	4,693,333
	2009-10	-	-	(Nil)	(1,805,333)
Hathway Enjoy Cable Network Pvt Ltd.	2010-11	-	-	Nil	-
	2009-10	-	-	(868,400)	-
Hathway Bhaskar CCN Multinet Pvt. Ltd.	2010-11	-	-	-	452,117
	2009-10	-	-	-	(Nil)
Hathway Bhaskar Multinet Pvt Ltd	2010-11	-	-	-	122,138
	2009-10	-	-	-	(Nil)
Hathway Gwalior Cable & Datacom Pvt Ltd	2010-11	-	-	-	Nil
	2009-10	-	-	-	(485,550)
Hathway New Concept Cable & Datacom Pvt Ltd	2010-11	-	-	-	333,703
	2009-10	-	-	-	(299,700)
Hathway Sukhamrit Cable & Datacom Pvt Ltd	2010-11	-	-	-	2,582,985
	2009-10	-	-	-	(5,534,936)

Related Party	Year	Investments	Provision on Investment	Loans and Advances	Provision against Loans and Advances	Debtors	Provision against debtors	Current Liabilities	Provision against current liabilities
Bee Network & Communications Pvt. Ltd	2010-11	3,999,140	3,999,140	3,694,558	3,694,558	9,734,872	9,734,872	Nil	Nil
	2009-10	(3,999,140)	(3,999,140)	(3,690,058)	(3,690,058)	(9,734,872)	(9,734,872)	(Nil)	(Nil)
Binary Technology Transfers Pvt. Ltd.	2010-11	100,000	100,000	15,909,137	15,909,137	Nil	Nil	Nil	Nil
	2009-10	(100,000)	(100,000)	(15,892,801)	(15,863,230)	(Nil)	(Nil)	(Nil)	(Nil)
Channels India Network Pvt. Ltd.	2010-11	10,855,000	10,855,000	64,205	64,205	13,269,084	13,269,084	Nil	Nil
	2009-10	(10,855,000)	(10,855,000)	(58,805)	(58,805)	(13,269,084)	(13,269,084)	(Nil)	(Nil)
Chennai Cable Vision Network Pvt. Ltd.	2010-11	5,634,482	5,634,482	19,718,767	19,718,767	Nil	Nil	Nil	Nil
	2009-10	(5,634,482)	(5,634,482)	(19,682,227)	(19,680,923)	(Nil)	(Nil)	(Nil)	(Nil)
Elite Cable Network Pvt. Ltd.	2010-11	480,000	480,000	195,728	195,728	Nil	Nil	Nil	Nil
	2009-10	(480,000)	(480,000)	(185,228)	(185,228)	(Nil)	(Nil)	(Nil)	(Nil)
Gujarat Teletelink Pvt. Ltd.	2010-11	1,250,721,167	Nil	256,665,383	Nil	97,051,336	Nil	2,702,349	Nil
	2009-10	(1,250,721,167)	(Nil)	(172,379,785)	(Nil)	(43,173,889)	(Nil)	(Nil)	(Nil)
Hathway Bhaskar CBN Multinet Pvt. Ltd.	2010-11	Nil	Nil	5,664	Nil	Nil	Nil	3,878,944	Nil
	2009-10	(Nil)	(Nil)	(102)	(Nil)	(Nil)	(Nil)	(2,869,473)	(Nil)
Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	6,046,624	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(196,875)	(Nil)	(2,843,423)	(Nil)
Hathway Bhaskar CCN Multinet Pvt. Ltd.	2010-11	Nil	Nil	1,257,101	Nil	28,371,454	Nil	2,697,458	Nil
	2009-10	(Nil)	(Nil)	(2,435,640)	(Nil)	(4,620,551)	(Nil)	(1,441,254)	(Nil)
Hathway Bhaskar Multinet Pvt. Ltd.	2010-11	391,211,739	Nil	14,861,636	Nil	6,772,157	Nil	6,124,710	Nil
	2009-10	(391,211,739)	(Nil)	(8,330,076)	(Nil)	(47,041,097)	(Nil)	(16,188,766)	(Nil)
Hathway Bhawani Cabletel & Datacom Ltd.	2010-11	22,800,000	Nil	Nil	Nil	15,910,561	Nil	8,359,199	Nil
	2009-10	(22,800,000)	(Nil)	(Nil)	(Nil)	(16,684,353)	(Nil)	(1,932,647)	(Nil)
Hathway C Net Pvt. Ltd.	2010-11	5,985,000	5,985,000	4,463,282	4,463,282	Nil	Nil	Nil	Nil
	2009-10	(5,985,000)	(5,985,000)	(4,450,848)	(4,450,848)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Cable MCN Nanded Pvt. Ltd.	2010-11	4,919,870	Nil	5,287,048	Nil	4,702,086	Nil	Nil	Nil
	2009-10	(4,919,870)	(Nil)	(2,242,410)	(Nil)	(4,992,256)	(Nil)	(Nil)	(Nil)
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2010-11	62,819,311	62,819,311	Nil	Nil	44,568,043	Nil	2,453,279	Nil
	2009-10	(62,819,311)	(Nil)	(Nil)	(Nil)	(40,323,960)	(Nil)	(1,380,743)	(Nil)
Hathway Dattatray Cable Network Pvt. Ltd.	2010-11	40,522,500	Nil	4,743,729	Nil	Nil	Nil	Nil	Nil
	2009-10	(40,522,500)	(Nil)	(4,083,903)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	2010-11	6,555,569	Nil	8,748,644	Nil	Nil	Nil	4,740,788	Nil
	2009-10	(152,569)	(Nil)	(4,706,672)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Enjoy Cable Network Pvt. Ltd.	2010-11	100,000	Nil	43,528	Nil	Nil	Nil	Nil	Nil
	2009-10	(100,000)	(Nil)	(64,976)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Gwalior Cable & Datacom Pvt. Ltd.	2010-11	100,000	Nil	10,694,579	Nil	6,096,694	Nil	1,621,411	Nil
	2009-10	(100,000)	(Nil)	(6,435,337)	(Nil)	(4,306,267)	(Nil)	(Nil)	(Nil)

Related Party	Year	Investments	Provision on Investment	Loans and Advances	Provision against Loans and Advances	Debtors	Provision against debtors	Current Liabilities	Provision against current liabilities
Hathway Ice Television Pvt. Ltd.	2010-11	4,080,000	Nil	7,763,079	Nil	Nil	Nil	2,609,011	Nil
	2009-10	(4,080,000)	(Nil)	(5,624,409)	(Nil)	(135,117)	(Nil)	(1,022,937)	(Nil)
Hathway Internet Satellite Pvt. Ltd.	2010-11	100,000	100,000	15,915,359	15,915,359	Nil	Nil	Nil	Nil
	2009-10	(100,000)	(100,000)	(15,793,223)	(15,793,223)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Jai Mata Di Balaji Cable Network	2010-11	Nil	Nil	1,630,366	1,630,366	Nil	Nil	Nil	Nil
	2009-10	(105,731)	(105,731)	(1,630,366)	(1,630,366)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	2010-11	8,000,000	8,000,000	5,421,482	5,421,482	7,450,717	7,450,717	Nil	Nil
	2009-10	(8,000,000)	(8,000,000)	(5,421,482)	(5,421,482)	(7,450,717)	(7,450,717)	(Nil)	(Nil)
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	2010-11	2,206,295	2,206,295	1,109,559	1,109,559	Nil	Nil	Nil	Nil
	2009-10	(2,206,295)	(2,206,295)	(1,109,559)	(1,109,559)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway JMD Farukabad Cable Network Pvt. Ltd.	2010-11	100,000	Nil	11,233	Nil	Nil	Nil	Nil	Nil
	2009-10	(100,000)	(Nil)	(7,733)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Krishna Cable Pvt. Ltd.	2010-11	48,600,000	Nil	26,005,688	Nil	18,769,335	Nil	980,891	Nil
	2009-10	(48,600,000)	(Nil)	(2,005,688)	(Nil)	(26,705,484)	(Nil)	(980,891)	(Nil)
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	2010-11	9,180,560	Nil	2,274,991	Nil	1,290,510	Nil	53,198	Nil
	2009-10	(9,180,560)	(Nil)	(1,918,273)	(Nil)	(1,290,510)	(Nil)	(58,000)	(Nil)
Hathway Mantra (Partnership Firm)	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(22,000)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Mantra Cable & Datacom Pvt. Ltd.	2010-11	98,000	Nil	30,321	Nil	Nil	Nil	Nil	Nil
	2009-10	(98,000)	(Nil)	(61,400)	(Nil)	(Nil)	(Nil)	(50,726)	(Nil)
Hathway MCN Pvt. Ltd.	2010-11	40,800,000	Nil	823,331	Nil	26,382,989	Nil	Nil	Nil
	2009-10	(40,800,000)	(Nil)	(3,121,137)	(Nil)	(24,641,042)	(Nil)	(893,927)	(Nil)
Hathway Media Vision Pvt. Ltd.	2010-11	59,231,098	Nil	21,117,820	Nil	Nil	Nil	15,211,650	Nil
	2009-10	(59,231,098)	(Nil)	(21,117,820)	(Nil)	(Nil)	(Nil)	(11,245,204)	(Nil)
Hathway Mysore Cable Network Pvt. Ltd.	2010-11	2,921,000	Nil	5,534,498	Nil	Nil	Nil	410,231	Nil
	2009-10	(2,921,000)	(Nil)	(3,211,710)	(Nil)	(Nil)	(Nil)	(410,231)	(Nil)
Hathway Nashik Cable Network Pvt. Ltd.	2010-11	4,503,000	4,503,000	104,087,351	104,087,351	Nil	Nil	Nil	Nil
	2009-10	(4,503,000)	(4,503,000)	(103,992,277)	(103,992,277)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2010-11	71,400,002	Nil	438,551	Nil	30,103,721	Nil	4,828,169	Nil
	2009-10	(71,400,002)	(Nil)	(Nil)	(Nil)	(21,771,989)	(Nil)	(3,301,731)	(Nil)
Hathway Prime Cable & Datacom Pvt. Ltd.	2010-11	2,295,000	Nil	212,569	Nil	1,527,343	Nil	Nil	Nil
	2009-10	(2,295,000)	(Nil)	(79,476)	(Nil)	(1,924,417)	(Nil)	(Nil)	(Nil)
Hathway Rajesh Multi Channel Pvt. Ltd.	2010-11	62,831,844	Nil	2,606,196	Nil	25,687,679	Nil	6,457,309	Nil
	2009-10	(58,907,810)	(Nil)	(Nil)	(Nil)	(25,447,001)	(Nil)	(6,749,671)	(Nil)
Hathway Sai Star Cable & Datacom Pvt. Ltd.	2010-11	270,914,254	Nil	Nil	Nil	34,524,475	Nil	13,209,575	Nil
	2009-10	(200,914,254)	(Nil)	(Nil)	(Nil)	(4,161,317)	(Nil)	(7,516,240)	(Nil)

Related Party	Year	Investments	Provision on Investment	Loans and Advances	Provision against Loans and Advances	Debtors	Provision against debtors	Current Liabilities	Provision against current liabilities
Hathway Software Developers Pvt. Ltd.	2010-11	1,950,000	Nil	400,300	Nil	1,480,645	Nil	1,351,628	Nil
	2009-10	(1,950,000)	(Nil)	(14,458,574)	(Nil)	(1,032,641)	(Nil)	(3,081,856)	(Nil)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2010-11	163,608,000	Nil	1,127,235	Nil	12,653,799	Nil	174,605	Nil
	2009-10	(163,608,000)	(Nil)	(1,120,328)	(Nil)	(3,626,439)	(Nil)	(159,905)	(Nil)
Hathway Space Vision (Firm)	2010-11	Nil	Nil	163,385,413	163,385,413	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(146,902,795)	(146,902,795)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Space Vision Cabletel Pvt. Ltd.	2010-11	100,200	100,200	10,418,080	10,418,080	Nil	Nil	Nil	Nil
	2009-10	(100,200)	(100,200)	(10,400,884)	(10,400,884)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2010-11	41,021,784	Nil	2,192,845	Nil	45,173,507	Nil	134,225	Nil
	2009-10	(41,021,784)	(Nil)	(1,938,247)	(Nil)	(9,839,448)	(Nil)	(134,225)	(Nil)
Hathway United Cables Network Pvt. Ltd.	2010-11	100,000	100,000	Nil	1,197,556	5,806,160	Nil	2,482,310	Nil
	2009-10	(100,000)	(100,000)	(1,197,556)	(1,197,556)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Universal Cabletel & Datacom Pvt. Ltd.	2010-11	100,000	100,000	230,744	230,744	Nil	Nil	Nil	Nil
	2009-10	(100,000)	(100,000)	(223,553)	(223,553)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway VCN Cablenet Pvt. Ltd.	2010-11	1,006,132	1,006,132	55,140,653	55,140,653	Nil	Nil	Nil	Nil
	2009-10	(1,006,132)	(1,006,132)	(47,557,081)	(47,557,081)	(Nil)	(Nil)	(Nil)	(Nil)
Ideal Cables Pvt. Ltd.	2010-11	22,210,200	2,210,200	4,388,902	3,263,226	17,496,945	10,748,103	8,055,224	Nil
	2009-10	(2,210,200)	(2,210,200)	(Nil)	(3,263,226)	(17,421,509)	(10,748,103)	(331,322)	(Nil)
ITV Interactive Media Pvt. Ltd.	2010-11	100,000	100,000	5,229,933	5,229,933	Nil	Nil	Nil	Nil
	2009-10	(100,000)	(100,000)	(5,203,933)	(5,203,933)	(Nil)	(Nil)	(Nil)	(Nil)
K. Jayaraman	2010-11	Nil	Nil	2,767,912	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(2,767,912)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Kokan Crystal Cable Network Pvt. Ltd.	2010-11	22,950,000	Nil	70,349	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Liberty Media Vision Pvt. Ltd.	2010-11	100,000	100,000	12,743,309	12,743,309	10,615,069	10,641,783	Nil	Nil
	2009-10	(100,000)	(100,000)	(12,770,023)	(12,770,023)	(10,532,552)	(10,532,552)	(Nil)	(Nil)
Mona cable Network	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Net 9 Online Hathway Pvt. Ltd.	2010-11	20,050,000	Nil	2,017,642	Nil	1,998,922	Nil	Nil	Nil
	2009-10	(20,050,000)	(Nil)	(2,014,297)	(Nil)	(510,660)	(Nil)	(Nil)	(Nil)

Related Party	Year	Provision Against Advances made during the year	Provision against advances written back during the year	Investment Written off during the year	Net Advances made during the year	Net advances recovered during the year	Share Application Money given during the year	Investment made during the year
Bee Network & Communications Pvt. Ltd	2010-11	4,500	Nil	Nil	4,500	Nil	Nil	Nil
	2009-10	(7,418)	(Nil)	(Nil)	(7,418)	(Nil)	(Nil)	(Nil)
Binary Technology Transfers Pvt. Ltd.	2010-11	45,907	Nil	Nil	16,336	Nil	Nil	Nil
	2009-10	(Nil)	(14,223)	(Nil)	(15,348)	(Nil)	(Nil)	(Nil)
Channels India Network Pvt. Ltd.	2010-11	5,400	Nil	Nil	5,400	Nil	Nil	Nil
	2009-10	(8,418)	(Nil)	(Nil)	(8,418)	(Nil)	(Nil)	(Nil)
Chennai Cable Vision Network Pvt. Ltd.	2010-11	37,843	Nil	Nil	36,540	Nil	Nil	Nil
	2009-10	(Nil)	(1,296,909)	(Nil)	(Nil)	(1,295,605)	(Nil)	(Nil)
Elite Cable Network Pvt. Ltd.	2010-11	10,500	Nil	Nil	10,500	Nil	Nil	Nil
	2009-10	(8,030)	(Nil)	(Nil)	(8,030)	(Nil)	(Nil)	(Nil)
Gujarat Telelink Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	5,714,402	90,000,000	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(6,354,373)	(Nil)	(Nil)
Hathway Bhaskar CBN Multinet Pvt. Ltd.	2010-11	Nil	Nil	Nil	5,562	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(102)	(Nil)	(Nil)	(Nil)
Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Bhaskar CCN Multinet Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	1,178,539	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(459,749)	(Nil)	(Nil)
Hathway Bhaskar Multinet Pvt. Ltd.	2010-11	Nil	Nil	Nil	6,531,560	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(54,388,219)	(Nil)	(55,590,000)
Hathway Bhawani Cabletel & Datacom Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(229,607)	(Nil)	(Nil)
Hathway C Net Pvt. Ltd.	2010-11	12,434	Nil	Nil	12,434	Nil	Nil	Nil
	2009-10	(18,802)	(Nil)	(Nil)	(18,802)	(Nil)	(Nil)	(Nil)
Hathway Cable MCN Nanded Pvt. Ltd.	2010-11	Nil	Nil	Nil	3,044,638	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(267,441)	(Nil)	(Nil)
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(2,700,273)	(Nil)	(Nil)
Hathway Dattatray Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	659,826	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(4,083,903)	(Nil)	(Nil)	(40,522,500)
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	4,041,972	Nil	Nil	6,455,569
	2009-10	(Nil)	(Nil)	(11,181)	(4,695,306)	(Nil)	(Nil)	(Nil)
Hathway Enjoy Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	21,448	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(360,880)	(Nil)	(Nil)

Related Party	Year	Provision Against Advances made during the year	Provision against advances written back during the year	Investment Written off during the year	Net Advances made during the year	Net advances recovered during the year	Share Application Money given during the year	Investment made during the year
Hathway Gwalior Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	4,259,242	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(1,201,119)	(Nil)	(Nil)
Hathway Ice Television Pvt. Ltd.	2010-11	Nil	Nil	Nil	2,138,670	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(4,710,581)	(Nil)	(Nil)	(Nil)
Hathway Internet Satellite Pvt. Ltd.	2010-11	122,136	Nil	Nil	122,136	Nil	Nil	Nil
	2009-10	(15,654)	(Nil)	(Nil)	(15,654)	(Nil)	(Nil)	(Nil)
Hathway Jai Mata Di Balaji Cable Network	2010-11	Nil	1,634	105,731	Nil	Nil	Nil	Nil
	2009-10	(68,218)	(Nil)	(Nil)	(66,584)	(Nil)	(Nil)	(Nil)
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(59,097)	(Nil)	(Nil)	(157,097)	(Nil)	(Nil)	(Nil)
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(42,542)	(Nil)	(Nil)	(42,542)	(Nil)	(Nil)	(Nil)
Hathway JMD Farukabad Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	3,500	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(5,180)	(Nil)	(Nil)	(Nil)
Hathway Krishna Cable Pvt. Ltd.	2010-11	Nil	Nil	Nil	24,000,000	Nil	24,000,000	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(20,770,430)	(Nil)	(Nil)
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	356,718	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(53,423)	(Nil)	(Nil)	(Nil)
Hathway Mantra (Partnership Firm)	2010-11	Nil	Nil	22,000	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Mantra Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	31,079	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(56,347)	(Nil)	(Nil)	(Nil)
Hathway MCN Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	2,297,806	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(256,074)	(Nil)	(Nil)
Hathway Media Vision Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(18,022,645)	(Nil)	(Nil)	(Nil)
Hathway Mysore Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	2,322,788	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(630,197)	(Nil)	(Nil)
Hathway Nashik Cable Network Pvt. Ltd.	2010-11	95,074	Nil	Nil	95,074	Nil	Nil	Nil
	2009-10	(Nil)	(219,270)	(Nil)	(Nil)	(219,270)	(Nil)	(Nil)
Hathway New Concept Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	438,551	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(10,047,771)	(Nil)	(Nil)
Hathway Prime Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	133,093	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(159,679)	(Nil)	(Nil)
Hathway Rajesh Multi Channel Pvt. Ltd.	2010-11	Nil	Nil	Nil	2,606,196	Nil	2,606,197	3,924,034
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(16,078,194)	(Nil)	(Nil)

Related Party	Year	Provision Against Advances made during the year	Provision against advances written back during the year	Investment Written off during the year	Net Advances made during the year	Net advances recovered during the year	Share Application Money given during the year	Investment made during the year
Hathway Sai Star Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	70,000,000
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Hathway Software Developers Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	14,058,274	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(1,220,832)	(Nil)	(Nil)	(Nil)
Hathway Sonali Om Crystal Cable Pvt. Ltd.	2010-11	Nil	Nil	Nil	6,907	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(231,332)	(Nil)	(Nil)	(Nil)
Hathway Space Vision (Firm)	2010-11	16,482,618	Nil	Nil	16,482,618	Nil	Nil	Nil
	2009-10	(45,944,686)	(Nil)	(Nil)	(45,944,686)	(Nil)	(Nil)	(Nil)
Hathway Space Vision Cabletel Pvt. Ltd.	2010-11	17,196	Nil	Nil	17,196	Nil	Nil	Nil
	2009-10	(15,960)	(Nil)	(Nil)	(15,960)	(Nil)	(Nil)	(Nil)
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	2010-11	Nil	Nil	Nil	254,598	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(106,408)	(Nil)	(Nil)	(Nil)
Hathway United Cables Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	1,197,556	Nil	Nil
	2009-10	(8,270)	(Nil)	(Nil)	(8,270)	(Nil)	(Nil)	(Nil)
Hathway Universal Cabletel & Datacom Pvt. Ltd.	2010-11	7,191	Nil	Nil	7,191	Nil	Nil	Nil
	2009-10	(9,900)	(Nil)	(Nil)	(9,900)	(Nil)	(Nil)	(Nil)
Hathway VCN Cablenet Pvt. Ltd.	2010-11	7,583,572	Nil	Nil	7,583,572	Nil	Nil	Nil
	2009-10	(16,804,316)	(Nil)	(Nil)	(16,804,316)	(Nil)	(Nil)	(Nil)
Ideal Cables Pvt. Ltd.	2010-11	Nil	Nil	Nil	4,388,902	Nil	Nil	20,000,000
	2009-10	(2,654)	(Nil)	(Nil)	(Nil)	(3,260,572)	(Nil)	(Nil)
ITV Interactive Media Pvt. Ltd.	2010-11	26,000	Nil	Nil	26,000	Nil	Nil	Nil
	2009-10	(13,050)	(Nil)	(Nil)	(13,050)	(Nil)	(Nil)	(Nil)
Kokan Crystal Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	70,349	Nil	Nil	22,950,000
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Liberty Media Vision Pvt. Ltd.	2010-11	Nil	26,714	Nil	Nil	26,714	Nil	Nil
	2009-10	(259,530)	(Nil)	(Nil)	(259,530)	(Nil)	(Nil)	(Nil)
Mona cable Network	2010-11	Nil	Nil	52,569	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Net 9 Online Hathway Pvt. Ltd.	2010-11	Nil	Nil	Nil	3,345	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(2,014,297)	(Nil)	(Nil)	(Nil)
Palampur City Cable Network Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Pan Cable Services Pvt. Ltd.	2010-11	2,500	Nil	Nil	2,500	Nil	Nil	Nil
	2009-10	(2,500)	(Nil)	(Nil)	(2,500)	(Nil)	(Nil)	(Nil)
UTN Cable Communications Pvt. Ltd.	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(Nil)	(Nil)	(Nil)	(10,161,009)	(Nil)	(Nil)	(Nil)
Vision India Network Pvt. Ltd.	2010-11	6,600	Nil	Nil	6,600	Nil	Nil	Nil
	2009-10	(13,353)	(Nil)	(Nil)	(13,353)	(Nil)	(Nil)	(Nil)
Win Cable & Datacom Pvt. Ltd.	2010-11	1,706,345	Nil	Nil	Nil	Nil	Nil	Nil
	2009-10	(4,144,403)	(Nil)	(Nil)	(5,850,749)	(Nil)	(Nil)	(Nil)

In Addition to aforementioned transactions {Refer notes to accounts above B (4) (b)}, the Company has given Corporate Guarantees of Rs.719,250,000 (Rs.428,750,000) on behalf of Gujarat Telelink Private Limited, Rs. 22,895,000 (Rs.9,500,000) on behalf of Hathway MCN Private Limited and given counter indemnity favouring the Bankers towards Bank Guarantees issued on behalf of Hathway MCN Private Limited and Hathway Media Vision Private Limited of Rs. 2,500,000 (Rs. Nil) and Rs. 200,000 (Rs. Nil) respectively included in note no. B (2) (a) above. Also Refer note no. B (2) (c) for Letter of Credit facility availed by Gujarat Telelink Private Limited. Details of debits / credits which are purely in the nature of reimbursements are not included in above.

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

Loans and advances in the nature of loans to subsidiaries and Associates:

NAME OF RELATED PARTY	YEAR			YEAR		
	31-Mar-11			31-Mar-10		
	CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Hathway Channel 5 Cable & Datacom Pvt. Ltd.	-	-	-	-	-	2,700,273
Hathway Mysore Cable Network Pvt. Ltd.	3,211,710	-	3,211,710	3,211,710	-	4,258,003
Hathway Software Developers Pvt. Ltd.	14,458,574	-	14,458,574	14,458,574	-	14,458,574
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.		1,938,247	-		1,938,247	2,170,520
Hathway Media Vision Pvt. Ltd.	21,117,820	-	21,117,820	21,117,820	-	35,663,388
UTN Cable Communications Pvt. Ltd.	11,110,910	-	11,110,910	11,110,910	-	11,110,910
Hathway Ice Television Pvt. Ltd.	5,624,409	-	5,624,409	5,624,409	-	5,624,409
Hathway MCN Pvt. Ltd.	3,121,137	-	3,121,137	3,121,137	-	3,749,793
Gujarat Telelink Pvt. Ltd.	166,665,383	-	172,379,785	172,379,785	-	197,379,785
Net 9 Online Hathway Pvt. Ltd.	2,014,297	-	2,014,297	2,014,297	-	2,014,297
Hathway Sonali Om Crystal Cable Pvt. Ltd.	1,120,328	-	1,120,328	1,120,328	-	1,120,328
Hathway Gwalior Cable & Datacom Pvt. Ltd.	6,435,337	-	6,435,337	6,435,337	-	8,772,831
Hathway Enjoy Cable Network Pvt. Ltd.	64,976	-	64,976	64,976	-	425,856
Hathway Latur MCN Cable & Datacom Pvt. Ltd.	1,918,273	-	1,918,273	1,918,273	-	1,918,273
Hathway Digital Saharanpur Cable & Datacom Pvt. Ltd.	4,706,672	-	4,706,672	4,706,672	-	4,706,672
Hathway Cable Entertainment Pvt. Ltd.	700,111	-	700,111	700,111	-	700,111
Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	5,421,482	-	5,421,482	5,421,482	-	5,421,482
Hathway JMD Farukhabad Cable Network Pvt. Ltd.	7,733	-	7,733	7,733	-	7,733
Hathway Cable MCN Nanded Pvt. Ltd.	2,242,410	-	2,242,410	2,242,410	-	4,912,066
Hathway Dattatray Cable Network Pvt. Ltd.	4,083,903	-	4,083,903	4,083,903	-	4,083,903
Hathway Mantra Cable & Datacom Pvt. Ltd.	61,400	-	61,400	61,400	-	61,400
Hathway Bhawani Cabletel & Datacom Ltd.	-	-	-	-	-	229,607
Hathway Bhaskar Multinet Pvt. Ltd.	8,330,076	-	8,330,076	8,330,076	-	62,718,295
Hathway Bhaskar Pagariya Multinet Pvt. Ltd.	2,435,640	-	2,435,640	2,435,640	-	3,563,056
Hathway Prime Cable & Datacom Pvt. Ltd.	79,476	-	79,476	79,476	-	239,155
Hathway Krishna Cable Pvt. Ltd.	2,005,688	-	2,005,688	2,005,688	-	22,776,118

NAME OF RELATED PARTY	YEAR			YEAR		
	31-Mar-11			31-Mar-10		
	CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR	CONTROL	ASSOCIATE AND JOINT VENTURES	MAXIMUM AMOUNT OUTSTANDING DURING THE YEAR
Bee Network & Communications Pvt. Ltd.*	3,690,058	-	3,690,058	3,690,058	-	3,690,058
Binary Technology Transfers Pvt. Ltd.*	15,892,801	-	15,892,801	15,892,801	-	15,892,801
Chennai Cable Vision Network Pvt. Ltd.*	19,682,227	-	19,682,227	19,682,227	-	20,977,833
Channels India Network Pvt. Ltd.*	58,805	-	58,805	58,805	-	58,805
Elite Cable Network Pvt. Ltd.*	185,228	-	185,228	185,228	-	185,228
Hathway C Net Pvt. Ltd.*	4,450,848	-	4,450,848	4,450,848	-	4,450,848
Hathway Internet & Satellite Pvt. Ltd.*	15,793,223	-	15,793,223	15,793,223	-	15,793,223
Hathway Nashik Cable Network Pvt. Ltd.*	103,992,277	-	103,992,277	103,992,277	-	104,211,547
Hathway Space Vision Cabletel Pvt. Ltd.*	10,400,884	-	10,400,884	10,400,884	-	10,414,898
Hathway United Cables Network Pvt. Ltd.*	1,197,556	-	1,197,556	1,197,556	-	1,197,556
Hathway Universal Cabletel & Datacom Pvt. Ltd.*	223,553	-	223,553	223,553	-	223,553
Ideal Cables Pvt. Ltd.*	-	-	-	-	-	3,690,506
ITV Interactive Media Pvt. Ltd.*	5,203,933	-	5,203,933	5,203,933	-	5,203,933
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.*	-	1,109,559	-	-	1,109,559	1,109,559
Liberty Media Vision Pvt. Ltd.*	12,770,023	-	12,770,023	12,770,023	-	12,770,023
Vision India Network Pvt. Ltd.*	2,176,570	-	2,176,570	2,176,570	-	2,176,570
Win Cable & Datacom Pvt. Ltd.*	201,886,666	-	201,886,666	201,886,666	-	201,886,666
Hathway Space Vision (Firm)*	-	146,902,795	146,902,795	-	146,902,795	146,902,795
Pan Cable Services Pvt. Ltd.*	-	5,875,427	5,875,427	-	5,875,427	5,875,427
Hathway Jai Mata Di Balaji Cable Network*	-	1,630,366	1,630,366	-	1,630,366	1,630,366
Hathway VCN Cablenet Pvt. Ltd.*	-	47,557,081	47,557,081	-	47,557,081	47,557,081
Chhattisgarh Broadband Network Pvt. Ltd.	102	-	102	102	-	102

- None of the above Loans are subject to any repayment schedule and Interest Payments

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

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

Name of the Party	31-MAR-2011		31-MAR-2010	
	Balance Outstanding	Maximum Amount outstanding during the year	Balance Outstanding	Maximum Amount outstanding during the year
Arun Singh	2,513,793	2,683,094	2,683,094	2,983,094
Bharat Pandit	965,692	965,692	965,692	965,692
Sanjay Ghagare	500,000	500,000	500,000	500,000
A Sivaraman	100,000	100,000	100,000	100,000
Stanley Palanna	268,364	505,390	505,390	925,390
Devidas Dahale	500,000	500,000	-	-
Shankar Nair	500,000	500,000	-	-
Hathway Cabletech Services Private Limited	7,700,000	35,700,000	16,561,962	36,490,898

In addition to above Refer Note B (12) for Loans given to Managing Director

21) LEASES

(a) Finance Leases:

Lease rentals outstanding as at 31st March 2011 in respect of fixed assets taken on finance lease are as under:

Due	Total minimum lease payments outstanding as at 31st March 2011	Interest not due	Present value of minimum lease payments as at 31st March 2011
Not Later than 1 year	217,955,204 (234,178,680)	28,175,549 (42,971,358)	189,779,655 (191,207,322)
Later than 1 year and not later than 5 years	174,678,559 (271,504,759)	22,950,576 (35,462,998)	151,727,983 (236,041,761)
Later than 5 years	Nil (Nil)	Nil (Nil)	Nil (Nil)
Total	392,633,763 (505,683,439)	51,126,125 (78,434,356)	341,507,638 (427,249,083)

Written Down Value of Fixed Assets acquired under Finance lease as at 31st March 2011 is Rs.658,364,461 (Previous Year Rs. 710,720,615)

Current Liabilities (Net of Advance) include Rs.335,982,935 payable to lessor under finance lease arrangement (Previous Year Rs. 500,048,930).

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

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

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Rental Expense debited to Profit and Loss Account	46,156,527	26,384,887
Payable in the next one year	33,385,512	25,988,455
Payable after next one year but Before next five years	23,561,544	38,822,022
Payable after five years	Nil	Nil

(d) Details of Cancellable Leases are as under:

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

Rental Expenses debited to the Profit and Loss Account Rs. 132,587,724 (Previous Year Rs. 93,315,533)

(e) Operating Leases (As Lessor):

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Gross Carrying Amount of Assets capitalised as Plant & Machinery and given on operating lease	124,947,534	109,023,176
Depreciation for the year	13,714,728	11,867,591

In addition to above, substantial portion of the Set Top Boxes have been given on operating lease. The written down value of Set Top Boxes as on 31st March 2011 is Rs. 1,734,365,550 (Previous Year 1,601,920,908).

22) EARNINGS \ (LOSS) PER SHARE

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Profit \ (Loss) after tax (but including prior period adjustments) – (Rs.)	(403,121,570)	(835,032,704)
Weighted / Adjusted No. of ordinary shares (No.'s)	142,857,100	119,715,166
Nominal value of ordinary shares (Rs.) (Face Value restated)	10.00	10.00
Basic and Diluted Earnings per share (Rs.)	(2.82)	(6.98)

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

23) JOINT VENTURES

The Company has the following Joint Venture arrangements in the capacity of a Venturer in the following as on 31 March 2011:

- a. Hathway Sukhamrit Cable and Datacom Private Limited*
- b. Hathway Jai Mata Di Balaji Cable Network
- c. Mantra Enterprises
- d. Mona Cable

With respect to above, the country of incorporation, proportion of ownership control and the proportionate share of each of Assets, Liabilities, Income and Expenses as per the Financial Statement for the period ended on March 31, 2011 is listed below:

(In Rupees)

Joint Venture	Country of Incorporation	% Of Shareholding / Ownership Control	Proportionate share of Income	Proportionate share of Expense	Proportionate share of Assets	Proportionate share of Liabilities	Proportionate share of Contingent Liabilities and capital commitments
Hathway Sukhamrit Cable and Datacom Private Limited *	India	50.00%	113,168,743 (54,251,272)	83,185,482 (49,174,719)	121,948,690 (52,626,672)	69,720,669 (30,381,912)	Nil (Nil)
Hathway Jai Mata Di Balaji Cable Network	India	2%	Refer Note Below **				
Mantra Enterprises	India	1%	Refer Note Below **				
Mona Cable	India	0.5%	Refer Note Below **				

* Subsidiary upto 1st September 2009. In absence of the audited financial statements, figures for current year are based on provisional financial statements certified by Directors of the said Company.

** The Company was a partner in these firms. These firms were dissolved as on 31st March 2011. In absence of any financial statements of these firms since the financial year 2007-08 upto the date of dissolution, no liability on such dissolution has been recognised and in opinion of the management, such liability, if any, would not be material. The amounts outstanding in the books as capital contribution have been fully written off.

24) DEFERRED TAX ASSETS (NET OF LIABILITIES):

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

	Particulars	Current Year (Rs.)	Previous Year (Rs.)
	<u>Deferred Tax Liabilities on</u>		
a)	Difference between book and tax depreciation	121,262,137	140,134,175
	<u>Deferred Tax Assets on</u>		
a)	Unabsorbed Depreciation Losses	121,262,137	140,134,175
	NET ASSETS	Nil	Nil

25) INTANGIBLE ASSETS

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

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

- 26) The Company has opted for accounting the exchange difference arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 (AS 11) notified by the Government of India on March 31, 2009. Accordingly the Company has capitalised exchange (Gain) / loss of Rs. 886,565 (P.Y. Rs. 99,176,752) with the cost of fixed assets.

27) Unhedged Foreign Currency Exposure

Currency	31-03-2011			31-03-2010		
	Amount in Foreign Currency	Exchange Rate	Amount in Indian Rupees	Amount in Foreign Currency	Exchange Rate	Amount in Indian Rupees
Secured Loans						
USD	12,657,725	44.59	564,407,950	19,289,179	44.89	865,891,230
Accounts Payables						
USD	3,670,454	44.59	163,665,566	749,088	44.89	33,626,580

28) Managerial Remuneration

No commission is paid / payable to any director and hence the computation of profits under Section 198 / 349 of the Companies Act, 1956 is not required. The break-up of managerial remuneration to the Managing Director is as under:

Expenses	Remuneration for Current Year	Remuneration for Previous Year
	Amount (Rs.)	Amount (Rs.)
Salary	8,391,891	9,581,425
Commission	Nil	Nil
House Rent Allowance	Nil	Nil
Contribution to Gratuity Fund	Refer Note 2 below	Refer Note 2 below
Contribution to Provident and Other funds	1,020,290	923,400
Perquisites	392,687	378,848
Total	9,804,157	10,833,673

Note:

- 1) The Company had made an application to the Central Government for approval for payment of remuneration to the Managing Director & CEO from August 7, 2010 for a period of three years in excess of limits prescribed under section 198 and 309 read with Schedule XIII to the Companies Act, 1956. In response to the application, the Central Government has called for certain additional information and the same are being furnished.

However, while responding to the above application, the Central Government has directed the Company to either recover or apply for waiver of the remuneration paid in excess of remuneration prescribed under the said schedule during the period August 26, 2009 (the date on which the status of the Company change to public limited company) to August 7, 2010. Since the remuneration paid during the period February 7, 2010 to August 7, 2010 was at minimum scale prescribed under Schedule XIII to the Act, there is no question of having paid excess remuneration. The remuneration for the period prior to that was finalized when the Company was a private company and accordingly, as legally advised; the Company was not required to apply the Government for the approval. However, as required by the Central Government, the Company is in the process of applying for the waiver of remuneration and sitting fees for the period August 26, 2009 to February 7, 2010.

- 2) The above figures do not include Provision for Gratuity & Leave Encashment payable to Managing Director as the same is determined based on actuarial valuation for the Company as a whole.

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

30) Although, the market value of investments in Hathway Bhawani Cable & Datacom Limited is lower than cost, considering the long term and strategic nature of the investment, in the opinion of the management, such decline is temporary in nature and no provision is necessary for the same.

31) During the previous year, the Company had issued and allotted 20,000,000 Equity shares of Rs. 10 each at a price of Rs. 240 including a premium of Rs. 230 per equity share aggregating to Rs. 4,800,000,000 through an Initial Public Offer. The equity shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange with effect from 25th February 2010.

32) The Initial Public Offer (IPO) proceeds have been utilised as per objects as stated in the prospectus dated February 17, 2010.

Particulars	Amount (Rs.)	
Amount received from IPO		4,800,000,000
Utilisation of funds upto 31 March 2011	Amount Proposed	Amount utilised upto 31 March 2011
Acquisition of Customers	2,436,000,000	113,440,208
Investment in the development of digital capital expenditure, services and set top boxes	1,564,000,000	710,445,380
Investment in the development of broadband infrastructure, capital expenditure and services	830,000,000	500,132,367
Repayment of loans	967,000,000	967,000,000
Interim use of fund (paying down short term credit limit)		715,030,385
Total	5,797,000,000	3,006,048,340
Less: To be funded by Borrowings	997,000,000	130,000,000
Total	4,800,000,000	2,876,048,340
Balance Unutilised		1,923,951,660

Unutilised Balance has been invested as stated below:

	Amount (Rs.)
Mutual funds	783,889,795
Certificate of Deposits of Bank	979,159,750
Margin Money in Banks	160,902,115
Total	1,923,951,660

33) The Company's share of Share Issue expenses incurred in connection with the Initial Public Offer of the Company has been adjusted against the Securities Premium Account as on 31st March 2010. The details of the expenses (net of taxes recoverable) are as follows:

Nature of Expenses	Amount (in Rupees)
BRLM fees and Out of Pocket Expenses	141,078,880
Advertisement Expenses	39,691,337
Professional Fees	33,323,322
Printing and Stationery Expenses	28,458,841
Employee Cost	12,588,622
IPO Grading expenses	1,000,000
Others	6,183,739
Total	262,324,741

34) Previous year figures have been rearranged and regrouped wherever necessary.

As per our report of even date
For G. M. KAPADIA & CO.
Chartered Accountants

For and on behalf of the Board

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(K . JAYARAMAN)
Managing Director & C.E.O.

(MILIND KARNIK)
President- Finance & Company Secretary

(VINAYAK AGGARWAL)
Director

Mumbai
Dated : 12th August 2011

Mumbai
Dated : 12th August 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Rupees in Thousands)

I REGISTRATION DETAILS:

Registration No	11421
State Code	11
Balance Sheet Date	31.03.2010

II CAPITAL RAISED DURING THE YEAR:

Public Issue	4,800,000
Bonus Issue	Nil
Rights Issue	Nil
Conversion of Fully & Compulsorily Convertible Debentures to Equity Shares	2,472,400
Private Placement (at Premium)	Nil

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS:

Total Liabilities	16,211,598
Total Assets	16,211,598

SOURCES OF FUNDS:

Paid-up Capital	1,429,051
Employee Stock Option Outstanding	24,157
Reserves & Surplus	11,999,692
Secured Loans	2,758,698
Unsecured Loans	Nil

APPLICATION OF FUNDS:

Net Fixed Assets	5,826,420
Investments	4,368,311
Deferred Tax Asset (Net)	Nil
Net Current Assets	1,022,343
Miscellaneous Expenditure	Nil
Accumulated Losses	4,994,524

IV PERFORMANCE OF COMPANY:

Gross Income	4,944,469
Total Expenditure	5,182,222
Loss Before Tax & Exceptional Items	237,752
Loss After Tax & Exceptional Items	381,642
Prior Period Adjustments (Net)	(21,480)
Earnings \ (Loss) Per Share – Basic & Diluted (In Rs.) -	(2.82)
Dividend (%)	Nil

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY (AS PER MONETARY TERMS):

Item Code No. (ITC Code)	N.A
Product/Service Description	Cable Transmission, Internet Service Provider

For and on behalf of the Board

(K. JAYARAMAN)

Managing Director & CEO

(Ganapathy Subramaniam)
Chief Financial Officer

(MILIND KARNIK)

President - Finance & Company
Secretary(VINAYAK AGGARWAL)
Director

Mumbai

Dated: 12th August 2011

Auditor's Report to the Board of Directors of Hathway Cable & Datacom Limited on the Consolidated Financial Statements

1. We have audited the attached Consolidated Balance Sheet of **HATHWAY CABLE & DATACOM LIMITED** (the Company) and its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at 31st March, 2011, the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with the Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These Consolidated Financial Statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information of each of the components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have not audited the financial statements / consolidated financial statements of certain subsidiaries whose audited financial statements / consolidated financial statements reflect total assets of Rs. 5,629,203,218 as on 31st March, 2011 and total revenues of Rs. 4,155,531,991 and net cash inflows of Rs. 20,452,049 for the year ended 31st March, 2011; and

These financial statements have been audited by other auditors whose reports have been furnished to us for the purpose of consolidation and our opinion, in so far as it relates to the amounts included in respect of such subsidiaries and joint ventures is based solely on the report of other auditors.
4. Apart from above, as stated in Note no. 8 of Schedule O, in the case of a joint venture having total assets of Rs. 243,897,379 as on 31st March, 2011 and total revenues of Rs. 226,337,486 and net cash inflow of Rs. 2,684,008 for the year ended on 31st March, 2011, the figures used for the consolidation are based on the un-audited provisional financial statements certified by nominee directors of one of the venturer of the said joint venture and are not audited by their auditors. Our opinion so far as it relates to the amounts included in respect of these subsidiaries is based solely on such management certified financial statements;
5. Without qualifying our opinion, we draw attention to:
 - a. Note no. B(11) of Schedule O to the accounts in respect of operations of the Company in the state of Tamil Nadu;
 - b. Note no. B(6)(A), B(6)(B) & B(6)(C) of Schedule O to Consolidated Financial Statements regarding exclusion of certain subsidiaries and joint ventures by the management from consolidation on account of outstanding disputes and also considering the fact that the amount invested and advanced by the Company to these entities have been impaired; and
 - c. Note no. B(6)(E) of Schedule O to Consolidated Financial Statements regarding exclusion of certain joint ventures partnership firms of one of the subsidiaries of the Company from consolidation since the date from which such subsidiary became partner on account of criteria of effective joint control could not be fulfilled.
6. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, Accounting Standards (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures.
7. Based on our audit as aforesaid and on consideration of separate audit reports of other auditors on the separate financial statements / consolidated financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - (b) in the case of the Consolidated Profit and Loss Account, of the loss of the Group for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

(ATUL SHAH)
Partner
(Membership No. 39569)

Mumbai
Dated: 12th August, 2011

Consolidated Balance Sheet as at 31st March, 2011

	Schedule	Rupees	31-03-2011 Rupees	31-03-2010 Rupees
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	A	1,428,571,000		1,428,571,000
Employee Stock Options Outstanding		24,157,165		19,354,283
Reserves and Surplus	B	12,000,717,830		12,000,717,830
			13,453,445,995	13,448,643,113
Minority Interest			1,483,690,475	1,280,308,805
Loan Funds	C			
Secured Loans		3,285,458,168		4,482,497,253
Unsecured Loans		125,954,693		124,866,459
			3,411,412,861	4,607,363,712
Deferred Tax Liabilities (Refer Note No B (19) of Schedule O)			115,902,039	91,262,124
			18,464,451,370	19,427,577,754
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	D	15,389,783,489		13,487,411,314
Less: Accumulated Depreciation / Amortisation / Impairment		5,085,493,710		3,990,828,500
Net Block		10,304,289,779		9,496,582,814
Capital Work In Progress		512,489,061		274,121,048
			10,816,778,840	9,770,703,862
Investments	E		1,858,728,080	4,183,369,972
Deferred Tax Assets (Refer Note No B (19) of Schedule O)			26,146,763	8,956,024
Net Current Assets				
Current Assets, Loans & Advances	F			
Inventories		46,912,618		41,779,807
Sundry Debtors		2,563,730,035		1,955,309,563
Cash and Bank balances		521,371,604		1,004,350,492
Loans & Advances		1,719,561,135		1,483,568,906
		4,851,575,392		4,485,008,768
Less: Current Liabilities & Provisions	G			
Current Liabilities		3,903,496,303		3,524,161,827
Provisions		121,132,700		119,229,469
		4,024,629,003		3,643,391,296
Net Current Assets			826,946,389	841,617,472
Miscellaneous Expenditure	H		533,946	282,537
(To the extent not written off or adjusted)				
Profit & Loss Account Debit Balance			4,935,317,352	4,622,647,887
			18,464,451,370	19,427,577,754
Significant Accounting Policies and Notes Forming Part of Accounts	O			

As Per Our Report Of Even Date

For G. M. KAPADIA & CO.

Chartered Accountants

(ATUL SHAH)

Partner

(GANAPATHY SUBRAMANIAM)

Chief Financial Officer

(MILIND KARNIK)

President- Finance & Company Secretary

(K . JAYARAMAN)

Managing Director & C.E.O.

(VINAYAK AGGARWAL)

Director

Mumbai

Dated : 12th August 2011

Mumbai

Dated : 12th August 2011

Consolidated Profit & Loss Account for the year ended 31st March, 2011

	Schedule	2010-11 Rupees	2009-10 Rupees
INCOME			
Income from Operations	I	8,826,078,462	7,331,819,679
Other Income	J	240,715,164	67,998,045
		9,066,793,626	7,399,817,724
EXPENDITURE			
Operational Expenses	K	4,903,700,334	3,918,694,309
Staff Cost	L	907,346,028	747,705,898
Selling, Administration and General Expenses	M	1,517,290,587	1,410,955,927
		7,328,336,949	6,077,356,134
PROFIT BEFORE INTEREST, DEPRECIATION, AMORTISATION AND TAXATION		1,738,456,677	1,322,461,590
Interest & Finance Charges	N	449,823,016	556,202,049
Profit / (Loss) after Operating Expenses & Interest		1,288,633,661	766,259,541
Loss / (Gain) on Foreign Exchange Fluctuation (Net)		(14,864,858)	(5,971,993)
Depreciation		1,074,529,504	900,078,585
Amortisation		174,310,592	211,156,961
Impairment of Intangible Assets		27,030,014	17,677,227
Profit / (Loss) before Taxation and Exceptional items		27,628,409	(356,681,239)
Exceptional Items			
- Provision for Doubtful Advances to Subsidiaries & Associates (Refer Note No.B (9) of Schedule O)		86,886,367	62,113,475
- Impairment and write off of Assets in respect of operations in Tamil Nadu (Refer Note No.B (11) of Schedule O)		56,593,891	162,323,807
- Depreciation Write-back for Previous Year (Refer Note No.B (3) of Schedule O)		-	(75,576,715)
Net Profit/(Loss) before Taxation		(115,851,849)	(505,541,806)
Less : Provision for Taxation			
- Current Tax		110,046,066	126,514,017
- Deferred Tax		10,389,920	29,692,893
Net Profit/(Loss) After Tax		(236,287,835)	(661,748,716)
Balance b/f from Previous Year		(4,622,647,887)	(3,821,648,316)
Prior Period Adjustments (Net)		(23,235,815)	(4,069,253)
Amount transferred on change in stake in Subsidiaries / Joint Ventures		7,877,598	(3,458,250)
Adjustment on Account of Non Consolidation of Subsidiaries (Refer Note No.B ((6(B)) of Schedule O)		14,964,418	-
Adjustment on Account of Change in Depreciation Policy by Subsidiary		-	(32,163,180)
Excess/Short provision for taxation for earlier years		(6,101,596)	(7,559,296)
Profit Share of Associates		625,410	-
Minority Interest		(70,511,645)	(92,000,874)
Balance carried to Balance Sheet		(4,935,317,352)	(4,622,647,887)
No of Equity Shares (Refer Note No.B (25) of Schedule O)		142,857,100	119,715,166
Earning /(Loss) Per Share (In Rs.)- Basic & Diluted (Refer Note No.(25) of Schedule O)		(2.19)	(6.69)
Significant Accounting Policies and Notes Forming Part of Accounts	O		

As Per Our Report Of Even Date
For G. M. KAPADIA & CO.
Chartered Accountants

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(MILIND KARNIK)
President- Finance & Company Secretary

For and on behalf of the Board

(K . JAYARAMAN)
Managing Director & C.E.O.

(VINAYAK AGGARWAL)
Director

Mumbai
Dated : 12th August 2011

Mumbai
Dated : 12th August 2011

Consolidated Cash Flow Statement for the Year Ended 31st March 2011

	31-Mar-11 Rupees	31-Mar-10 Rupees
1 CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT / (LOSS) BEFORE TAX & PRIOR PERIOD ADJUSTMENT	(192,233,480)	(652,351,959)
A. Adjustment for :		
1 <u>Non Cash Charges</u>		
Depreciation / Amortisation / Impairment	1,275,870,111	1,128,912,773
Provision for Bad & Doubtful Debts	380,773,362	406,631,211
Bad Debts (Net)	26,571,536	-
Provision for Bad & Doubtful Advances	892,769	9,284,569
Amount no longer payable written back	(14,755,326)	(12,834,734)
Share of (Profit) / Loss in Partnership firms / associates	(625,410)	(975,043)
Discount Allowed / (Received)	(20,112)	(1,984,744)
Provision / (Excess Provision Reversed) for leave encashment and gratuity	12,665,341	(3,197,541)
Employee Compensation Expense	4,802,882	7,469,921
Sundry Advances Written off	4,121,269	2,745,902
Minority Interest	(70,511,645)	(92,000,874)
<u>Exceptional Items</u>		
- Depreciation write back for Previous year (Refer Note No.B (3) of Schedule O)		(107,739,895)
- Provision for Doubtful Advances to Subsidiaries & Associates	64,044,351	65,571,725
- Provision for Bad & Doubtful Debts for Tamil Nadu	-	40,307,799
- Loss / Impairment of Tangible / Intangible Assets for Tamil Nadu	56,593,891	122,016,008
2 <u>Item Considered Separately</u>		
(Profit) / loss on sale of Fixed Assets	42,212,571	24,954,797
Interest and Finance Charges	449,823,016	556,202,049
Income from Investments	(54,346,186)	(9,348,043)
(Profit) / loss on sale of Investments	(150,229,462)	(27,202,499)
	2,027,882,958	2,108,813,381
Operating Profit Before Working Capital	1,835,649,478	1,456,461,422
B Change in Working Capital		
(Increase) / Decrease in Inventories	5,132,811	18,399,213
(Increase) / Decrease in Sundry Debtors	(986,297,180)	(523,635,596)
(Increase) / Decrease in Loans & Advance	196,663,458	186,232,242
Increase / (Decrease) in Current Liabilities & Provisions	284,358,552	328,337,189
	(500,142,359)	9,333,048
Cash Generated from Operations	1,335,507,119	1,465,794,470
Taxes Paid	(264,691,569)	(97,790,024)
Net Cash from Operation Activities	1,070,815,550	1,368,004,446

	31-Mar-11 Rupees	31-Mar-10 Rupees
2 CASH FLOW FROM INVESTING ACTIVITIES:		
Income from Investments	54,346,186	9,348,043
Sale Proceeds of Fixed assets	6,061,907	11,218,835
Payment for Fixed Assets	(2,580,110,029)	(1,628,492,042)
Purchase of Investments	(20,747,714,495)	(18,010,022,781)
Sale Proceeds of Investment	23,223,211,253	13,974,021,858
Net cash Realised from Investing Activities	(44,205,178)	(5,643,926,087)
3 CASH FLOW FROM FINANCING ACTIVITIES		
Interest and Finance Charges	(436,742,827)	(568,302,652)
Issues of Share Capital (Including Premium)	-	4,800,000,110
Issues of Share Capital (Including Premium) from Minority Partners	-	53,410,000
Share Issue Expenses	-	(262,324,741)
Net Loan Funds borrowed \ (repaid)	(1,195,950,851)	804,726,412
Net cash Realised from Financing Activities	(1,632,693,678)	4,827,509,129
Net increase in Cash and Cash equivalent	(606,083,306)	551,587,488
Cash & Cash equivalents (Net of Book Overdraft) at the beginning of year	985,176,063	433,588,575
Cash & Cash equivalents (Net of Book Overdraft) at the end of year	379,092,757	985,176,063

Notes:

- 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 (Net of Book Overdraft)". Cash & Cash equivalents at the beginning of the year and at the end of the year also includes Fixed Deposits pledged as securities. Refer Schedule F for details.
- 3) During the previous year, an employee had exercised the option at an Exercise Price of Rs. 110/-, whose fair market value was Rs. 162/-.

As Per Our Report Of Even Date
For G. M. KAPADIA & CO.
Chartered Accountants

(ATUL SHAH)
Partner

(GANAPATHY SUBRAMANIAM)
Chief Financial Officer

(MILIND KARNIK)
President- Finance & Company Secretary

Mumbai
Dated : 12th August 2011

For and on behalf of the Board

(K . JAYARAMAN)
Managing Director & C.E.O.

(VINAYAK AGGARWAL)
Director

Mumbai
Dated : 12th August 2011

Schedules Annexed to and Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

	31-03-2011 Rupees	31-03-2010 Rupees
SCHEDULE A		
SHARE CAPITAL		
Authorised Capital		
199,800,000 (199,800,000) Equity Shares of Rs. 10 (10) Each	1,998,000,000	1,998,000,000
200,000 (200,000) Non- Cumulative Redeemable Preference Shares of Rupees 10 (10) Each	2,000,000	2,000,000
	2,000,000,000	2,000,000,000
Issued,Subscribed and Paid up Capital		
142,857,100 (142,857,100) Equity Shares of Rs. 10 (10) Each Fully Paid Up	1,428,571,000	1,428,571,000
- Of the above 74,236,874 (74,236,874) Equity shares of Rs. 10 (10) are allotted as fully paid-up bonus shares out of Securities Premium Account		
- Of the above 1 (1) share has been allotted as fully paid-up under the Employee Stock Option Plan		
- During the year NIL (11,501,788) Equity Shares of Rs.10 Each were issued on conversion of Fully & Compulsorily Convertible Debentures (FCCD) (Refer Note No. B(4) to Schedule O)		
- During the year NIL (20,000,000) Equity Shares of Rs. 10 Each were issued as fully paid- up shares through Initial Public Offer (Refer Note No. B(3) to Schedule O)		
	1,428,571,000	1,428,571,000
SCHEDULE B		
RESERVES & SURPLUS		
Capital Reserve		
(Balance as per last balance sheet)	1,025,387	1,025,387
Securities Premium		
Balances per last Balance Sheet	11,999,692,443	5,304,634,912
Add: Additions during the year	-	6,957,382,272
Less: Share/ Debenture issue expenses	-	262,324,741
	11,999,692,443	11,999,692,443
	12,000,717,830	12,000,717,830
SCHEDULE C		
LOAN FUNDS		
SECURED LOANS		
From Banks		
Cash Credit - Refer Note (i), (ii), (iii), (iv) and (v)	219,877,368	251,979,113
Vehicle Loans - Refer Note (vi)	14,477,109	5,644,487
Loans - Refer Note (vii), (viii), (ix) and (x)	969,202,001	1,327,434,775
Working Capital Demand Loan - Refer Note (xi)	110,000,000	250,000,000
External Commercial Borrowings - Refer Note (xii)	60,196,500	87,535,500
Buyers Credit - Refer Note (xiii)	670,939,732	778,355,753
From Others		
Loans from Others- Refer Note (xiv) and (xv)	1,240,765,458	1,781,547,625
	3,285,458,168	4,482,497,253
UNSECURED LOANS		
SHORT TERM LOAN FROM OTHERS		
Inter Corporate Deposit from Others	109,614,075	109,614,075
Others	16,340,618	15,252,384
	125,954,693	124,866,459
	3,411,412,861	4,607,363,712

Note:

- i) Rs. NIL (P.Y. Rs. NIL) (Sanction amount Rs. 800,000,000 (P.Y. Rs. 550,000,000)) is secured by hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future.

- ii) Rs. NIL (P.Y. Rs. 2,090,344) (Sanction amount Rs. 50,000,000 (P.Y. Rs. 50,000,000)) is secured by hypothecation of inventory and Book debts of the Company both present & future and personal guarantee of one of the directors.
- iii) Rs. 2,494,665 (P.Y. Rs. 4,000,000) secured against Hypothecation of Book Debts, Headend Equipments, and Fixed Deposit Receipt of Rs. 2,789,000 (P.Y. Rs. 2,789,000) of one of the Subsidiary Company.
- iv) Rs. 206,633,806 (P.Y. 233,345,510) secured by First Charge on the entire current assets belonging to one of the Subsidiary Company, Second Charge on the entire moveable fixed Assets (Present & Future) and specific Immovable Properties provided for Term Loan and Personal Guarantee of one of the Directors of the Subsidiary Company and Corporate Guarantee of the Company to the tune of Rs. 150,000,000)
- v) Rs. 10,748,897 (P.Y. Rs. 12,543,260) secured by hypothecation of all present and future fixed assets and current assets of one of the Subsidiary Company & Corporate Guarantee of the Company.
- vi) Secured by Hypothecation of Vehicles.
- vii) Out of the above, Rs. NIL (P.Y. Rs. 4,166,672) secured by item no. (a) and (b) given below and Rs. 168,750,000 (P.Y. Rs. 243,750,000) secured by item no. (a), (b) & (c) and Rs. 498,499,998 (P.Y. Rs. 605,000,000) secured by item no. (a) & (b) and Rs. 120,000,000 (P.Y. Rs. 240,000,000) secured by item no. (a) & (c)
 - (a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.
 - (b) pari passu hypothecation of present & future Current Assets of the Company.
 - (c) Personal Guarantees given by one of the directors of the Company.
- viii) Rs. NIL (P.Y. Rs. 4,000,000) secured against pledge of Fixed Deposits of one of the Director of the Subsidiary Company.
- ix) Rs. 151,250,000 (P.Y. Rs. 213,750,000) secured by way of First Charge on Entire Movable & Immovable Fixed Assets of one of the Subsidiary Company, Second Charge by way of Hypothecation of Entire Current Assets belonging to the Subsidiary Company and Personal Guarantee of One of the Directors of the Subsidiary Company & Corporate Guarantee of the Company.
- x) Rs. 30,702,003 (Rs. 16,768,103) secured by way of Mortgage of Immovable Property of one of the Subsidiary Company.
- xi) Secured by item no. (a) & (b)
 - (a) pari passu hypothecation of present & future movable and immovable Fixed Assets of the Company.
 - (b) pari passu hypothecation of present & future Current Assets of the Company.
- xii) Secured by pari passu hypothecation of present & future movable Fixed Assets of the Company.
- xiii) Out of the above, Rs. 167,226,784 (P.Y. Rs. 265,485,859) secured by item no. (b) and Rs. 292,394,689 (P.Y. Rs. 108,186,544) secured by item no. (b) & (c), Rs. 204,898,498 (P.Y. Rs. 404,683,350) secured by (a) & (d) and Rs. 6,419,761 (P.Y. NIL) secured by (e).
 - (a) Hypothecation of Assets acquired under LC facility.
 - (b) Secured by hypothecation of Current Assets of the Company both present & future and extension of pari passu hypothecation of movable Fixed Assets of the Company both present & future.
 - (c) Cash Margin of 10% by Fixed deposit with Bank.
 - (d) Personal Guarantee given by one of the directors of the Company.
 - (e) Corporate Guarantee of the Company.
- xiv) Out of the above, Rs. 75,000,000 (P.Y. Rs. 293,750,000) secured by item no. (a) ,(b) and (h), Rs. 418,600,000 (P.Y. Rs. 481,250,000) secured by item no. (a), (b), (c), (e), (f) and (i), Rs. 468,750,000 (P.Y. Rs. 500,000,000) secured by item no. (a), (b), (e), (f) and (j) and Rs. 173,214,286 (P.Y. Rs. 506,547,625) secured by item no. (a), (d) & (g)
 - (a) pari passu hypothecation of the present & future movable & immovable Fixed Assets of the Company.
 - (b) pari passu hypothecation of the present & future Current Assets of the Company.
 - (c) Personal Guarantees given by one of the directors of the Company.
 - (d) undertaking given by certain shareholders of the Company for non- disposal of their shareholding in the Company so long as Term Loan is outstanding to the tune of Rs. 23,214,284 (P.Y. Rs. 327,976,199).
 - (e) pari passu first charge on present & future book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature.
 - (f) First charge on the uncalled capital of the company.
 - (g) Personal Guarantees given by one of the directors of the Company (P.Y. to the tune of Rs. Rs. 350,000,000).
 - (h) Pledge of 202,000 fully paid equity shares of Gujarat Telcelink Private Limited.
 - (i) Lien on 3,500,000 units of IDFC Fixed Maturity Yearly Series 40
 - (j) Lien on Fixed Deposits with Bank of Rs. 27,000,000 (P.Y. Rs. NIL)
- xv) Rs. 105,201,172 (Rs. NIL) secured by Set Top Boxes acquired by the subsidiary under the lease and Corporate Guarantee of the Company.

Schedules Annexed to and Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

(In Rupees)

	<-----Gross Block (at Cost) ----->				<-----Accumulated Depreciation/Amortisation/Impairment----->				<-----Net Block----->					
	As at 01-04-2010	Addition for New Subsidiaries	Additions during the period	Deductions during the period	Deduction for old Subsidiaries	As at 31-03-2011	As at 01-04-2010	Addition for New Subsidiaries	Adjustment Refer Note (3)	Additions during the period	Deductions during the period	Deduction for old Subsidiaries	As at 31-03-2011	As at 31-03-2010
Intangible Assets														
Goodwill	921,549,199	15,147,091	144,500,000	9,373	-	1,081,186,907	260,054,847	-	-	71,315,573	-	-	331,370,420	661,494,352
Goodwill on Consolidation	1,804,444,501	-	127,498,020	-	-	1,931,942,521	39,679,314	-	-	-	-	-	39,679,314	1,764,765,187
Cable Television Franchisee	1,611,739,532	54,109,000	151,441,888	3,192,865	126,794,265	1,687,303,190	306,798,107	200,048	(3,011,348)	83,747,489	946,597	19,276,005	367,509,694	1,304,941,425
Movie Rights	22,907,181	-	-	3,602,202	-	19,304,879	13,870,719	-	-	4,407,194	3,602,302	-	14,675,611	9,036,462
Softwares	93,364,782	-	17,665,724	-	-	111,030,506	55,494,007	-	1,364,810	16,128,081	-	-	72,986,898	37,670,775
Bandwidth Rights	408,662,388	-	-	129,592,855	-	279,069,533	279,464,033	-	-	96,247,622	129,592,855	-	246,118,800	129,198,355
	4,862,667,583	69,256,091	441,105,632	136,397,495	126,794,265	5,109,837,536	955,361,027	200,048	(1,646,538)	271,845,959	134,141,754	19,276,005	1,072,340,737	3,907,306,556
Tangible Assets														
Plant and Machinery	8,071,051,167	22,956,501	1,657,022,422	110,430,675	2,691,194	9,637,847,471	2,747,633,239	1,629,131	26,615,636	989,465,557	77,105,474	1,750,110	3,686,487,979	5,323,417,928
Air Conditioners	29,668,017	-	3,873,710	103,540	-	33,738,187	16,444,191	-	(3,723)	2,336,810	76,605	-	18,700,673	13,523,826
Structural Fittings	23,079,052	-	2,049,352	-	-	25,928,404	6,513,981	-	-	975,032	-	-	7,489,013	17,365,071
Furniture and Fixtures	144,748,839	530,433	12,516,396	2,530,484	59,065	155,206,119	76,444,402	155,569	2,932,952	11,822,210	1,176,941	48,186	89,830,006	68,304,437
Mobile, Pagers & Telephones	17,074,372	136,273	2,321,492	9,200	-	19,522,937	11,600,584	-	-	1,069,878	9,199	-	12,661,263	5,473,768
Computers	137,656,188	1,956,412	17,088,424	3,054,220	33,850	153,812,954	107,802,036	1,324,471	(378,393)	13,959,331	2,946,685	33,471	119,727,289	30,054,152
Office Equipments	35,475,288	346,699	5,220,914	336,643	24,892	40,683,366	13,423,799	66,980	416,457	3,373,653	132,987	17,009	17,130,893	22,051,489
Electrical Fittings	28,510,512	-	1,825,437	4,500	-	30,331,449	15,059,607	-	-	2,193,278	4,500	-	17,248,385	13,450,905
Motor Vehicles	56,524,191	2,739,304	18,827,390	14,503,316	7,043	63,580,526	33,255,970	897,895	1,660,914	6,711,151	9,944,276	7,043	32,574,611	23,268,221
Motor Master Tapes	1,836,205	-	2,628	-	-	1,838,833	1,690,553	-	-	22,446	-	-	1,712,999	145,652
Land and Building	77,919,900	-	40,121,042	485,235	-	117,455,707	5,599,111	-	2,761,329	1,425,471	196,048	-	9,589,863	72,220,789
Total	8,624,143,731	28,667,622	1,760,889,207	131,517,813	2,816,794	10,279,945,953	3,035,467,473	4,074,046	34,005,172	1,033,054,817	91,592,715	1,855,819	4,013,152,974	5,589,276,258
Grand Total	13,487,411,314	97,923,703	2,201,974,839	267,915,308	129,611,059	15,389,783,489	3,990,828,500	4,274,094	32,358,634	1,304,900,776	225,734,469	21,133,824	5,085,493,711	9,496,582,814
Previous Year	12,057,198,625	134,225,947	1,671,174,847	341,647,145	33,540,960	13,487,411,314	3,026,028,668	47,884,167	(43,413,534)	1,170,416,382	195,949,396	14,137,787	3,990,828,500	9,031,189,957

Note:

1) Range of remaining period of amortisation of Intangible Assets is as below :	0 to 5 Year	5 to 10 Year	10 to 15 Year	15 to 20 Year	Total WDV
Goodwill	276,848,725	218,939,589	119,981,174	134,046,999	749,816,487
Cable Television Franchisee	243,013,712	245,216,255	370,385,628	461,177,902	1,319,793,496
Movie Rights	4,413,664	189,065	26,539	-	4,629,268
Softwares	38,043,608	-	-	-	38,043,608
Bandwidth Rights	32,950,733	-	-	-	32,950,733

- 2) Additions to Depreciation / Amortisation / Impairment Includes impairments of Goodwill Rs. Nil (Previous Year Rs. 5,942,044) , Software Rs.59,507 (Previous Year Rs. Nil), Plant and Machinery Rs. 87,504,276 (Previous Year Rs. 17,677,227)
- 3) Adjustment includes differential depreciation on account of two of the subsidiaries which has not changed its Depreciation policy. The effect has been given to bring the policy in line with the Group.

Schedules Annexed to and Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

	FACE VALUE	CONSOLIDATED 31-03-2011		CONSOLIDATED 31-03-2010	
	Rupees Per Unit	Quantity	Rupees	Quantity	Rupees
SCHEDULE E					
<u>INVESTMENTS (Fully Paid)</u>					
<u>Equity Shares of Subsidiary Companies</u>					
Hathway Jai Mata Di Sherawali Cable & Datacom Pvt. Ltd.	10	800,000	8,000,000	800,000	8,000,000
Hathway Channel 5 Cable & Datacom Pvt. Ltd. (Refer Note B(6)(B) of Schedule O)	10	249,000	62,819,311		-
			70,819,311		8,000,000
Less : Provision for diminution in value			70,819,311		8,000,000
			-		-
<u>Equity Shares of Other Company</u>					
GTPL Rajwadi Network Pvt Limited	10	5,000	2,051,856	2,500	365,426
Pan Cables Services Pvt. Ltd.	10	10	100	10	100
Hathway Cable Entertainment Pvt. Ltd.	10	47,009	470,594	47,009	470,594
Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	10	60,000	2,206,295	60,000	2,206,295
Hathway VCN Cablenet Pvt. Ltd.	10	12,520	1,006,132	12,520	1,006,132
			5,734,977		4,048,547
Less : Provision for diminution in value			3,212,528		3,212,528
			2,522,449		836,019
<u>Investments in Joint Ventures/ Partnership Firms</u>					
Hathway Jai Mata Di Balaji Cable Network (Refer Note B (6) (D) of Schedule O)			-		105,731
Mona Cable (Refer Note B (6)(D) of Schedule O)			-		52,569
Mantra Enterprises (Refer Note B (6)(D) of Schedule O)			-		22,000
GTPL Bawa Cable			-		513,570
GTPL Ganesh Communication			918,077		918,077
GTPL GP Entertainment			3,000,000		3,000,000
GTPL Hamidali Cable			-		12,002,850
GTPL Kim Cable Entertainment			1,040,000		1,040,000
GTPL Lucky World Vision			204,000		204,000
GTPL Narmada Cable Service			-		1,453,500
GTPL Nawaz Network			900,000		900,000
GTPL Sab Network			518,875		518,875
GTPL Sky World Vision			2,947,967		2,947,967
GTPL Universal Cable Network			622,650		622,650
GTPL Yak Cable Network			518,875		518,875
M/s GTPL Jyoti Cable			4,468,365		-
			15,138,809		24,820,664
Less : Provision for Doubtful Investments			-		105,731
Less : Balance Contribution Outstanding towards capital to Partnership Firms/Joint Ventures			2,601,886		505,000
			12,536,923		24,209,933
<u>Government Securities</u>					
National Savings Certificates			1,533,860		1,448,140
			1,533,860		1,448,140
<u>Current Non-trade (Unquoted)</u>					
<u>Investment in Certificate of Deposits of Banks</u>					
Vijaya Bank	100,000	5,000	497,141,850		
Yes Bank	100,000	2,500	248,902,685		
Canara Bank	100,000	2,500	249,369,298		

Schedules Annexed to and Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

	FACE VALUE	CONSOLIDATED 31-03-2011		CONSOLIDATED 31-03-2010	
	Rupees Per Unit	Quantity	Rupees	Quantity	Rupees
<u>Units of Debt Market Mutual Funds</u>					
HDFC Mutual Fund					
- Liquid Fund - Growth *	10	-	-	106,000	1,322,202
- Cash Management Fund Savings Plan - Institutional- Growth	10	-	-	17,448,303	352,227,150
ICICI Prudential Plan					
- FMP Series 51- 13MONTHS PLAN C**	10	3,500,000	37,406,600	3,500,000	35,000,000
- Interval Fund II- Quarterly Interval Plan F- Inst- Growth	10	9,335,238	100,000,000		
IDFC Mutual Fund					
- Money Manager Treasury Plan - Growth	10	-	-	46,002,556	502,274,305
ING Mutual Fund					
- Money Manager Fund- Treasury Plan-Super Inst Plan C - Growth	10	8,723,053	101,626,189	-	-
- FMP- Yearly Series 40***	10	3,500,000	35,000,000	-	-
ING Mutual Fund					
- Treasury Advantage Fund - Institutional - Growth	10	-	-	81,381,241	1,003,569,055
Templeton India Fund					
- Ultra Short Bond Fund- Super Institutional- Growth	10	-	-	42,399,248	502,329,332
DSP Blackrock Fund					
- Floating Rate Fund- Institutional- Growth	10	-	-	454,360	602,453,942
Kotak Mutual Fund					
- Flexidebt Fund- Institutional- Growth	10	-	-	17,738,128	200,919,770
SBI Mutual Fund					
- Ultra short term- Institutional- Growth	10	-	-	33,493,364	401,752,898
Axis Mutual Fund					
- Treasury Advantage- Growth	10	-	-	98,328	100,416,962
Reliance Money Manager Fund- Institutional- Growth					
- Money Manager Fund- Institutional- Growth	10	56,823	76,051,995	120,073	150,677,631
- Monthly Interval Fund- Series I - Institutional -Growth	10				
- Monthly Interval Fund- Series II - Institutional -Growth	10	7,518,175	100,000,000	12,080,410	150,020,569
Bharti Axa Mutual Fund					
- Treasury Advantage Fund -Institutional Plan- Growth	10	-	-	134,717	150,018,264
Fidelity Mutual Fund					
- Ultra Short Term Debt Fund- Super Institutional- Growth	10	28,976,564	368,805,011	-	-
			1,814,303,628		4,152,982,079
<u>Other Than Trade Investments</u>					
Gujarat Television Private Limited	10	200,000	23,999,920	-	-
Rural Electrification Corporation Limited	10,000	500	3,750,000	500	3,750,000
Other	-	-	-		62,500
Shares in Saraswat Co-Op. Bank Ltd.		3,130	31,300	3,130	31,300
Thane Janta Shares			50,000		50,000
			27,831,220		3,893,801
Total Investments			1,858,728,080		4,183,369,972

*Includes Nil units (P. Y. 106,000 units) where lien has been marked in favour of a Bank

**Includes Nil units (P. Y. 3,500,000 units) where lien has been marked in favour of a Financial Institution

***Includes 3,500,000 units (P. Y. Nil units) where lien has been marked in favour of a Financial Institution

Details of Non - Trade Unquoted Investments Purchased and Sold During the Year

Name of the Mutual Fund / Shares	Quantity	Face Value (Rupees)
Reliance Monthly Interval Fund- Series II - Institutional -Growth	12,080,410	10
HDFC Cash Management Treasury Advantage - Institutional- Growth	6,806,775	10
HDFC Cash Management Treasury Advantage - Institutional- Growth	6,585,513	10
HDFC Liquid Fund	106,000	10
Bharti Axa Treasury Advantage Fund -Institutional Plan- Growth	107,365	1,000
Bharti Axa Treasury Advantage Fund -Institutional Plan- Growth	27,352	1,000
HDFC Cash Management Treasury Advantage - Institutional- Growth	4,056,016	10
Reliance Money Manager Fund- Institutional- Growth	80,108	1,000
DSP Blackrock Floating Rate Fund- Institutional- Growth	149,618	1,000
ING Treasury Advantage Fund- Institutional- Growth	16,107,469	10
TI Ultra Short Bond Fund- Super Institutional- Growth	16,743,828	10
IDFC Money Manager Fund- Treasury Plan C- Growth	9,083,560	10
ING Liquid Fund- Super Institutional- Growth	51,357,302	10
TI Treasury Management Account- Super Institutional- Growth	222,420	10
IDFC Cash Fund- Super Institutional- Growth	36,032,648	10
DSP Blackrock Liquidity Fund- Institutional- Growth	307,050	1,000
Kotak Liquid- Institutional Premium- Growth	10,776,140	10
SBI Premier Liquid Fund- Institutional- Growth	10,567,424	10
Axis Liquid Fund- Institutional- Growth	98,583	1,000
Reliance Liquidity Fund- Growth	14,462,505	10
LICMF Liquid Fund- Growth	11,773,392	10
ICICI Prudential Liquid -Super Institutional- Growth	726,714	100
ING Treasury Advantage Fund- Institutional- Growth	8,042,917	10
SBI SNDF- Ultra short term- Institutional- Growth	12,367,972	10
SBI SNDF- Ultra short term- Institutional- Growth	8,242,732	10
ING Treasury Advantage Fund- Institutional- Growth	16,049,432	10
IDFC Money Manager Fund- Treasury Plan C- Growth	9,048,382	10
DSP Blackrock Floating Rate Fund- Institutional- Growth	149,042	1,000
ING Liquid Fund Super Institutional- Growth	14,395,014	10
IDFC Cash Fund - Super Inst- Plan C- Growth	8,827,138	10
DSP BlackRock Liquidity Fund - Institutional Plan - Growth	150,093	10
LICMF Savings Plus Fund Growth Plan	13,548,696	10
IDFC Money Manager Fund - Tresury Plan C	36,914,737	10
Kotak Flexidebt Scheme Institutional	17,738,129	10
SBI SHF Ultra Short Term Institutional	12,882,665	10
Axis Treasury Advantage- Institutional- Growth	98,329	1,000
Reliance Money Manager Fund- Institutional- Growth	159,647	1,000
ICICI Prudential Long Term Floating Rate Plan - Plan C- Growth	10,001,504	10
DSP Blackrock Floating Rate Fund- Institutional- Growth	155,699	1,000
DSP Blackrock Floating Rate Fund- Institutional- Growth	148,984	1,000
ING Treasury Advantage Fund- Institutional- Growth	17,598,311	10
Bharti AXA Short Term Income Fund - Institutional Plan - Growth	9,419,389	10
Bharti AXA Short Term Income Fund - Institutional Plan - Growth	9,579,895	10
Reliance Liquidity Fund- Growth	3,539,272	10
DSP Blackrock Liquidity Fund- Institutional- Growth	119,138	1,000
Axis Liquid Fund- Institutional- Growth	98,537	1,000
Reliance Liquidity Fund- Growth	10,920,843	10
Kotak Liquid- Institutional Premium- Growth	10,772,558	10
HDFC Cash Management Fund Savings Plan- Growth	5,092,376	10

Hathway Cable & Datacom Limited

DSP Blackrock Liquidity Fund- Institutional- Growth	186,010	1,000
ICICI Prudential Liquid -Super Institutional- Growth	727,084	100
ICICI Prudential Liquid -Super Institutional- Growth	416,203	100
DSP Blackrock Liquidity Fund- Institutional- Growth	1,573	1,000
Reliance Money Manager Fund- Institutional- Growth	38,997	1,000
ING Liquid Fund- Super Institutional- Growth	7,174,013	10
ING Treasury Advantage Fund- Institutional- Growth	14,016,422	10
TI Ultra Short Bond Fund- Super Institutional- Growth	25,655,614	10
IDFC Cash Fund- Super Institutional- Plan C- Growth	36,019,801	10
LICMF Liquid Fund- Growth	4,071,448	10
SBI Premier Liquid Fund- Institutional- Growth	6,700,572	10
SBI Premier Liquid Fund- Institutional- Growth	3,867,946	10
DSP Blackrock Money Manager Fund- Institutional- Growth	74,559	1,000
Axis Treasury Advantage Fund- Institutional- Growth	98,334	1,000
Fidelity FMP Series 2 - Plan A- Growth (3 month FMP)	20,002,690	10
UTI Liquid Fund - Cash Plan - Institutional -Growth	161,528	10
DSP Blackrock Money Manager Fund- Institutional- Growth	47,909	1,000
DSP Blackrock Money Manager Fund- Institutional- Growth	1,617	1,000
Kotak Floater-Long Term- Growth	3,721,970	10
ING Treasury Advantage Fund- Institutional- Growth	278,826	10
ING Treasury Advantage Fund- Institutional- Growth	16,042,726	10
ING Liquid Fund Super Institutional - Growth	14,647,743	10
Kotak Liquid Institutional (Premium)- Growth	1,608,827	10
Reliance Monthly Interval Fund- Series II- Institutional- Growth (1 month FMP)	3,931,961	10
Kotak Floater-Long Term- Growth	10,034,989	10
Reliance Money Manager Fund- Institutional- Growth	81,588	1,000
ING Treasury Advantage Fund- Institutional- Growth	9,288,760	10
LICMF Liquid Fund- Growth	7,702,675	10
Kotak Liquid Institutional (Premium)- Growth	1,305,435	10
DSP Blackrock Liquidity Fund- Institutional- Growth	48,168	1,000
Fidelity FMP Series 2 - Plan E- Growth (3 month FMP)	15,002,012	10
HDFC FMP 35D August 2010 (2)- Series XIV	20,000,000	10
Kotak Floater-Long Term- Growth	2,054,706	10
Kotak Liquid (Institutional Premium) Growth	3,644,941	10
ICICI Prudential Liquid Super Institutional Plan - Growth	357,147	10
Reliance Monthly Interval Fund- Series I- Institutional Growth Plan (1 month FMP)	3,937,659	10
HDFC Cash Management Fund -Treasury Advantage - wholesale - Growth	5,774,978	10
ING Treasury Advantage Fund- Institutional- Growth	4,728,319	10
LIC Liquid Fund - Growth Plan	5,732,367	10
DSP Blackrock FMP -3M Series 19- Growth (maturity 25 Nov 10)	25,000,000	10
HDFC Cash Management Fund -Treasury Advantage - wholesale - Growth	3,927,490	10
Fidelity FMP Series III Plan C Option Growth	20,289,929	10
Fidelity Fixed Maturity Plan Series III - Plan D -Growth	15,000,000	10
LICMF Interval Fund – Monthly Plan Series 1 – Growth	8,363,154	10
ING Treasury Advantage Fund- Institutional- Growth	7,691,095	10
ING Liquid Fund Super Institutional Growth	6,901,326	10
Fidelity Ultra Short Term Debt Fund- Institutional- Growth	12,321,452	10
Fidelity Cash Fund (Super Institutional) Growth	11,719,016	10
ING Treasury Advantage Fund- Institutional- Growth	3,901,830	10
Reliance Money Manager Fund- Institutional- Growth	39,017	1,000
UTI Floating Rate- Institutional - Growth (1 month FMP)	235,725	1,000
ICICI Prudential Ultra Short Term Plan - Premium Plus	8,517,485	10

ICICI Prudential Ultra Short Term Plan - Premium Plus	2,838,624	10
ICICI Prudential Ultra Short Term Plan - Premium Plus	4,721,359	10
Reliance Floating Rate Fund - Short Term Plan - Growth	8,054,178	10
Reliance Floating Rate Fund - Short Term Plan - Growth	3,382,838	10
LIC MF Liquid Fund- Growth	5,737,243	10
UTI Liquid Cash Plan Institutional - Growth	31,607	10
UTI Liquid Cash Plan Institutional - Growth	85,247	10
Kotak Quarterly Interval Plan Series 10 - Growth	9,083,104	10
ICICI Prudential Interval Fund V – Monthly Interval Plan A –Institutional Plan – Growth	16,581,491	10
DSP Blackrock FMP – 3M- Series 24 - Growth	25,441,000	10
Fidelity FMP Series 4-Plan C - Growth	20,663,995	10
Reliance Monthly Interval Fund - Series I - Institutional Growth Plan	13,241,858	10
IDFC Money Manager Fund- Treasury Plan-Super Inst Plan C - Growth	4,378,092	10
IDFC Money Manager Fund- Treasury Plan-Super Inst Plan C - Growth	4,347,788	10
ICICI Prudential Floating Rate Plan D- Growth	687,804	10
ICICI Prudential Floating Rate Plan D- Growth	1,110,796	10
Fidelity Ultra Short Term Debt Fund- Super Institutional- Growth	12,318,451	10
Fidelity Ultra Short Term Debt Fund- Super Institutional- Growth	16,685,602	10
Reliance Money Manager Fund- Institutional- Growth	74,768	1,000
Reliance Money Manager Fund- Institutional- Growth	56,848	1,000
IDFC Cash Fund- Super Inst Plan C- Growth	8,523,041	10
Fidelity Cash Fund- Super Institutional- Growth	27,615,294	10
Reliance Liquidity Fund- Growth	5,151,457	10
ING Treasury Advantage Fund- Institutional- Growth	4,597,490	10
UTI Treasury Advantage Fund- Institutional- Growth	45,768	1,000
UTI Treasury Advantage Fund- Institutional- Growth	32,240	1,000
ING Treasury Advantage Fund- Institutional- Growth	3,091,916	10
ICICI Prudential FMP Series 51- 13MONTHS PLAN C	3,500,000	10
ICICI Prudential Long Term Floating Rate Plan - Plan C-Growth (6 months)	15,738,543	10
HDFC Cash Management Fund Savings Plan	726	10
ICICI Prudential Liquid- Super Institutional- Growth	1,114,233	10
HDFC Short Term Plan- Growth (6 months)	5,450,661	10

Schedules Annexed to and Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

	Rupees	31-03-2011 Rupees	31-03-2010 Rupees
SCHEDULE F			
CURRENT ASSETS, LOANS & ADVANCES			
CURRENT ASSETS			
Inventories : (at cost)			
(As taken , valued and certified by the management)			
- Stock of Spares & Maintenance Items	46,912,618		41,779,807
		46,912,618	41,779,807
Sundry Debtors			
(Unsecured but Considered Good, to the extent not provided for)			
- Outstanding for More than 6 Months	1,037,890,682		737,785,496
- Others	2,083,460,669		1,664,556,670
	3,121,351,351		2,402,342,166
Less: Provision for Bad and Doubtful Debts	557,621,316		447,032,603
		2,563,730,035	1,955,309,563
Cash and Bank Balances			
Cash in hand	57,846,891		36,593,220
Cheques in hand	50,873,823		38,149,517
Balance with Scheduled Banks			
- In Current Accounts	267,001,735		873,437,350
- In Fixed Deposits	145,649,155		56,170,405
		521,371,604	1,004,350,492
LOANS AND ADVANCES			
(Unsecured but considered good, to the extent not provided for)			
Sundry Deposits	196,270,623		150,509,984
Advances recoverable in cash or kind for value to be received			
Sundry Advances	389,612,646		196,085,900
Advances for Network Acquisitions	305,644,508		303,044,824
Advances to firm in which Company's Subdiaries are partner	165,187,574		148,533,161
Advances for other Cable Ventures	61,441,501		55,524,664
Advances to Directors of Subsidiaries	62,250,000		62,250,000
Advances to Joint Ventures	7,762,232		6,531,040
CENVAT Receivable	140,118,312		189,457,418
Service Tax Claimable	130,052,182		104,131,291
Taxes Paid	228,880,274		180,324,615
Prepaid Expenses	160,918,139		123,663,243
Loans given	11,675,504		14,396,007
Staff Loans	7,327,094		6,678,629
Staff Advances	4,812,918		4,146,156
Other Current Assets	105,456,699		171,071,988
	1,781,139,583		1,565,838,936
	1,977,410,206		1,716,348,920
Less: Provision for doubtful advances			
- Against Advances to Subsidiaries/ firm in which Subsidiary companies are partners / Other Cable Ventures	235,318,490		208,498,345
- Against Advances to Others	22,530,581		24,281,669
		1,719,561,135	1,483,568,906
		4,851,575,392	4,485,008,768

Schedules Annexed to and Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

	Rupees	31-03-2011 Rupees	31-03-2010 Rupees
SCHEDULE G			
CURRENT LIABILITIES & PROVISIONS			
CURRENT LIABILITIES			
Sundry Creditors	2,191,573,279		2,112,192,575
Income Received in Advance	680,554,851		603,073,690
Service Tax Payable	258,963,653		247,204,608
Outstanding Liabilities for Expenses	189,740,165		185,443,581
Other Liabilities	187,563,075		189,189,158
Credit Balance in Current Account with Banks	142,278,845		19,174,430
Security Deposits Received	125,942,294		125,792,855
Statutory Payable	117,186,314		29,137,242
Interest Payable	7,735,853		12,703,688
Overdrawn balance with Partnership Firm	1,707,974		-
Preference Share Capital	250,000		250,000
		3,903,496,303	3,524,161,827
PROVISIONS			
Provision for Employee Benefits	68,592,503		55,054,886
Provision for Taxation (Net)	52,540,197		64,174,583
		121,132,700	119,229,469
		4,024,629,003	3,643,391,296
SCHEDULE H			
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Balance as per last year	282,537		836,020
Add : Addition during the year	353,254		80,701
Less : Written off during the year	101,845		634,184
		533,946	282,537
		533,946	282,537

Schedules Annexed to and Forming Part of the Consolidated Profit & Loss Account for the year ended 31st March, 2011

	2010-11 Rupees	2009-10 Rupees
SCHEDULE I		
INCOME FROM OPERATIONS		
Subscription Income	8,505,822,071	7,028,339,109
Advertisement Income	118,714,417	149,904,353
Rental Income from Cable Television and Internet Access Devices	104,506,232	109,011,008
Service Charges Earned	669,046	1,087,181
Other Operational Income	86,052,428	39,793,757
Sale of Access Devices	10,314,268	3,684,271
	<u>8,826,078,462</u>	<u>7,331,819,679</u>
SCHEDULE J		
OTHER INCOME		
Interest on Fixed Deposits	9,870,942	8,590,442
Interest on Loans	325,041	408,433
Interest on Income Tax Refund	4,514,289	42,141
Profit on Sale of non-trade Investments (Net)	150,229,462	27,202,499
Interest on Commercial Deposits	44,150,203	-
Amount No Longer Payable Written Back	14,755,326	12,834,734
Discount Received	20,112	1,984,744
Dividend Income	5,000	349,168
Share of Profit in Partnership Firms	-	1,275,034
Miscellaneous Income	16,844,789	15,310,850
	<u>240,715,164</u>	<u>67,998,045</u>
SCHEDULE K		
OPERATIONAL EXPENSES		
Bandwidth & Lease Line Cost	304,015,319	206,262,866
Pay Channel Cost, Feed Charges	3,579,890,856	2,923,757,775
Movie/Cable Rights Expenses	3,261,092	7,999,670
Consultancy & Technical Fees	66,396,614	35,228,689
Commission	304,923,331	252,724,376
Cost of Access Devices sold	18,736,545	7,676,993
Distribution Cost	188,854,518	102,757,905
Freight & Octroi Charges	22,595,086	18,774,218
Hire Charges	12,002,606	24,242,696
Rent	99,417,988	79,987,190
Repairs & Maintenance (Plant & Machinery)	225,988,803	168,124,755
Software & Programming Cost	24,737,791	29,869,553
Other Sundry Operational Cost	52,879,785	61,287,623
	<u>4,903,700,334</u>	<u>3,918,694,309</u>
SCHEDULE L		
STAFF COST		
Salaries & Bonus	749,761,270	617,373,194
Contribution to Funds	45,699,073	26,981,459
Other Staff Cost	51,220,208	44,067,184
Director's Remuneration	8,219,041	10,808,815
Employee Compensation Expense	4,802,882	7,469,921
Staff Welfare	47,643,554	41,005,325
	<u>907,346,028</u>	<u>747,705,898</u>

Schedules Annexed to and Forming Part of the Consolidated Profit & Loss Account for the year ended 31st March, 2011

	2010-11 Rupees	2009-10 Rupees
SCHEDULE M		
SELLING, ADMINISTRATION & GENERAL EXPENSES		
Service Charges	228,091,550	203,393,163
Electricity Expenses	127,617,015	109,894,222
Rates & taxes	126,009,197	99,244,816
Travelling & Conveyance	107,058,476	95,569,749
Legal & Professional Charges	86,037,707	97,361,391
Office Expenses	82,014,259	76,050,910
Rent	65,860,612	66,937,415
Communication Charges	58,185,907	56,038,227
Repairs & Maintenance (Others)	48,857,148	41,025,122
Loss on disposal / shortage of assets	42,212,571	24,954,797
Miscellaneous Expenses	31,303,915	21,107,805
Business Promotion Expenses	31,248,087	17,568,312
Advertisement & Publicity Expenses	28,251,847	43,606,294
Printing & Stationery	20,210,752	17,406,639
Donation	11,984,681	12,995,329
Insurance Charges	5,631,461	5,699,559
Sundry Advances Written Off	4,121,269	2,745,902
Interest on Taxes	1,605,680	1,436,404
Sitting Fees to Directors	1,290,000	430,000
Brokerage	1,115,600	457,150
Provision for Bad & Doubtful Advances	892,769	9,284,569
Hire Charges	250,319	134,256
Preliminary Exp Written Off	94,867	682,694
Share of Profit / Loss in Partnership Firm	-	299,991
Provision for Bad and Doubtful debts (Net)	380,773,362	406,631,211
Bad Debts	261,855,761	383,358,525
Less: Transferred from Provision for Bad and Doubtful Debts	235,284,225	383,358,525
	26,571,536	-
	1,517,290,587	1,410,955,927
SCHEDULE N		
FINANCE CHARGES		
Interest and Finance Charges	375,656,797	505,840,525
Bank Charges	74,166,219	50,361,524
	449,823,016	556,202,049

Significant Accounting Policies And Notes To Account To Consolidated Financial Statements:

These Significant Accounting policies and notes to accounts form part of the Consolidated Financial Statements for the year ended 31st March 2011. The consolidated financial statement comprises of Hathway Cable and Datacom Limited ("The Company") and its subsidiaries, joint ventures and associates (collectively referred to as "The Group").

SCHEDULE: O

BACKGROUND

The Company is Multi System Operator (MSO) and engaged in distribution of television channels through analog and digital cable distribution network and internet services through cable.

A. SIGNIFICANT ACCOUNTING POLICIES

1) METHOD OF ACCOUNTING

These financial statements are prepared on accrual basis of accounting, following historical cost convention, in accordance with the provisions of the Companies Act, 1956 ('the Act'), accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2) PRINCIPLES OF CONSOLIDATION

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

The excess of the cost to the Company of its investment, over the Company's portion of net assets at the time of acquisition of shares is recognised 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 unrealised profits or losses resulting from the intra-group transactions have been eliminated.

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

Associates

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

Joint venture

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

3) USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements

and reported amounts of revenue and expenses during the reported period. Such estimates are on a reasonable and prudent basis taking into account all available information; actual results could differ from estimates. Differences on account of revision of estimates actual outcome and existing estimates are recognised prospectively once such results are known / materialized in accordance with the requirements of the respective accounting standard, as may be applicable.

4) **FIXED ASSETS AND INTANGIBLE ASSETS**

Intangible Assets

- 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 amortisation and impairment, if any. Internally Generated assets are not recognised in the books of accounts.
- Intangible assets comprises of Cable Television Franchise, Movie Rights, Bandwidth Rights, Goodwill and Softwares.

Tangible Assets

- 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.
- Set Top Boxes and Internet Access devices on hand at the year-end are included in Capital Work in Progress. On installation, such devices are capitalised or treated as sale as the case may be.

5) **DEPRECIATION AND AMORTISATION**

- a) The intangible assets are amortised on a straight line basis over their expected useful lives as follows:
 - (i) Cable Television Franchise is amortised over a period of ten to twenty years.
 - (ii) Non Compete Fees included in Goodwill is amortised over the non-compete period stated in the underline agreement and in absence of the same, over ten years.
 - (iii) Goodwill is amortised over the specific tenor in the relevant agreement or ten years in the event of specific tenor in the relevant agreement.
 - (iv) Software are amortised over the license period or five years in the event of absence of specific tenor in license.
 - (v) Movie & Serial Rights are amortised on exploitation over the balance license period in equal instalments.
 - (vi) Bandwidth Rights are amortised over the period of the underlying agreements.
- b) Depreciation on tangible fixed assets, except Set Top Boxes, is computed on written down value method, at the rates prescribed in Schedule XIV to the Companies Act, 1956. In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to the month of sale or disposal as the case may be. After impairment, depreciation is provided on the revised carrying amount over its remaining useful life.
- c) The cost of Set Top Boxes (STB) net of estimated realizable value is depreciated on straight-line method over a period of eight years except STB deployed in Conditional Access System (CAS) notified areas, and such STB's are depreciated over a period of five years. [Refer Note B(3)]

6) **INVESTMENTS**

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.

Current Investments:

Certificate of Deposits are valued at lower of amount of cost and proportionate income thereon or rates published by FIMMDA. Other current investments are recorded at lower of cost or fair value.

7) **INVENTORIES**

Inventories comprise of spares and maintenance items, which are valued at lower of cost (net of taxes recoverable) and net realizable value.

8) **BORROWINGS COST**

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised 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 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
 - 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.
 - a possible obligation, unless the probability of outflow of resources is remote.
- c) Contingent Assets are neither recognised, nor disclosed.

10) EMPLOYEE BENEFITS

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- b) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.
- c) In respect of employees' stock options, the excess of fair price on the date of grant over the exercise price is recognized uniformly over vesting period of the option.

11) LEASES

- a) As Lessee – Operating Lease
Lease rentals in respect of assets taken on 'Operating Lease' are charged to Profit and Loss Account over the lease term on systematic basis which is more representative of the time pattern of the Company's benefit.
- b) As Lessor – Operating Lease
Assets subject to Operating Leases are included in Fixed Assets. Lease income is recognized in the Profit and Loss Account over the lease term on systematic basis which is more representative of the time pattern of the Company's benefit. Costs, including depreciation are recognized as an expense in the Profit & Loss Account.
- c) As Lessee – Finance Lease
Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets and depreciated as per the applicable policy.

Lease rentals payable is apportioned between principal and finance charge using the internal rate of return method. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of liability.
- d) Initial direct cost is charged off to Profit & Loss account in the year of lease.

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.

Revenue from sale of prepaid Internet Service plans, which are active at the year end, is recognized on time proportion basis. In other cases of sale of prepaid Internet Service plans, entire revenue is recognized in the year of sale.

The revenue relating to Conditional Access System (CAS) notified areas is governed by TRAI and the same is recognised in accordance with prescribed regulations.

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 rate is under negotiations at the time of recognition of revenue, the Company recognises 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.

Other Revenue from Operations is recognised on accrual basis based on underlying subscription plan or agreements with the concerned subscribers / parties.

Lease rentals are recognized on accrual basis over the terms of related agreements.

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

Advertisement revenue is accrued on release of the advertisement for public viewing.

Interest income is recognized on accrual basis.

13) TAXATION

- a) Provision for Current Tax is made on the basis of taxable profits computed for the current accounting period (reporting period) 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 recognised 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 recognised only to the extent that there is a reasonable certainty of realisation in future.

14) FOREIGN CURRENCY TRANSACTION

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

15) IMPAIRMENTS

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 recognised in the profit and loss account. 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.

B. NOTES TO ACCOUNTS

- 1) The Equity Shares of the Company were consolidated into shares with a face value of Rs. 10 each from Re. 1 each pursuant to resolution dated 26th August, 2009.
- 2) During the previous year, the Company had issued and allotted 20,000,000 Equity shares of Rs. 10 each at a price of Rs. 240 including a premium of Rs. 230 per equity share aggregating to Rs. 4,800,000,000 through an Initial Public Offer. The equity shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange with effect from 25th February 2010.
- 3) During the previous year, based on the past performance of Set Top Boxes deployed by the Company, and further based on the technical certification, the Company had decided to change its policy and recompute the depreciation with retrospective effect on a straight line basis over a period of eight years. The reversal of depreciation for earlier years amounting to Rs 64,398,315 was credited to Profit and Loss account and shown under Exceptional Item.
- 4) During the year one of the subsidiary company namely Gujarat Telelink Private Limited, has sold off its News & Advertisement division on a going concern basis to M/s Gujarat Television Pvt Ltd. Against the net assets value of Rs. 8,693,000, the said subsidiary company has received equity shares from the acquirer having value of Rs.16,000,000. The same has resulted into a gain of Rs.7,306,000 which has been recognised during the year in the profit and loss account. Since, the operations of this division are not material in view of the total operations of the company, disclosures as per AS -24 'Discontinuing Operations' are not applicable.
- 5) (a) **List of subsidiaries which are included in the Consolidation & the company's effective holdings therein as under :**

Name of the Subsidiary	Country of the Incorporation	Date on which it became Subsidiary	Ownership in % either directly or through subsidiaries	
			2010-11	2009-10
Channels India Network Pvt. Ltd.	India	07.04.1998	95.63%	95.63%
Vision India Network Pvt. Ltd.	India	07.04.1998	100.00%	100.00%
Liberty Cable Network Pvt. Ltd.	India	07.04.1998	100.00%	100.00%
Ideal Cables Pvt. Ltd.	India	07.04.1998	100.00%	100.00%
Hathway Channel 5 Cable & Datacom Pvt. Ltd. (Refer Note No. B 6(B) of Schedule O)	India	07.04.1998	51.00%	51.00%
Bee Network & Communication Pvt. Ltd.	India	07.04.1998	100.00%	100.00%
Elite Cable Network Pvt. Ltd.	India	07.04.1998	80.00%	80.00%

Name of the Subsidiary	Country of the Incorporation	Date on which it became Subsidiary	Ownership in % either directly or through subsidiaries	
			2010-11	2009-10
Binary Technology Transfers Pvt.Ltd.	India	07.04.1998	100.00%	100.00%
Hathway Media Vision Pvt. Ltd.	India	13.08.1998	100.00%	100.00%
UTN Cable Communication Pvt.Ltd.	India	31.05.1999	51.00%	51.00%
ITV Interactive Media Pvt. Ltd	India	09.09.1999	100.00%	100.00%
Chennai Cable Vision Network Pvt. Ltd.	India	30.09.1999	75.99%	75.99%
Hathway Universal Cabletel & Datacom Pvt. Ltd.	India	10.03.2000	100.00%	100.00%
Win Cable Data com Pvt. Ltd.	India	15.03.2000	100.00%	100.00%
Hathway Space Vision Cabletel Pvt. Ltd.	India	21.03.2000	100.00%	100.00%
Hathway Software Developers Pvt.Ltd.	India	21.03.2000	65.00%	65.00%
Hathway Nashik Cable Network Pvt. Ltd.	India	27.07.2000	90.06%	90.06%
Hathway Cnet Pvt. Ltd.	India	27.07.2000	100.00%	100.00%
Hathway United Cables Pvt. Ltd.	India	01.12.2000	100.00%	100.00%
Hathway Internet Satellite Pvt. Ltd.	India	01.01.2001	100.00%	100.00%
Hathway Krishna Cable Pvt. Ltd.	India	22.07.2002	97.20%	97.20%
Hathway Mysore Cable Network Pvt. Ltd.	India	29.11.2003	63.50%	63.50%
Hathway Sukhamrit Cable & Datacom Pvt. Ltd. (Refer Note No. B 8 of Schedule O)	India	24.03.2004	50.00%^	50.00%^
Hathway Prime Cable & Datacom Pvt. Ltd.	India	03.02.2006	51.00%	51.00%
Hathway Gwalior Cable & Datacom Pvt. Ltd.	India	01.05.2007	100.00%	100.00%
Hathway Digital Saharanpur Cable & Datacom Pvt Ltd	India	01.03.2008	51.00%	100.00%
Hathway Enjoy Cable Network Pvt. Ltd.	India	07.06.2007	100.00%	100.00%
Hathway JMD Farukhabad Cable & Datacom Pvt Ltd.	India	01.05.2007	100.00%	100.00%
Hathway MCN Pvt. Ltd.	India	01.06.2007	51.00%	51.00%
Hathway Sonali OM Crystal Cable Pvt Ltd	India	01.01.2008	51.00%	51.00%
Hathway ICE Television Pvt Ltd	India	15.10.2007	51.00%	51.00%
Hathway Rajesh Multichannel Pvt. Ltd.	India	01.10.2007	51.00%	51.00%
Net 9 Online Hathway Pvt Ltd	India	01.03.2008	50.00%*	50.00%*
Gujarat Telelink Pvt. Ltd.	India	12.10.2007	50.00%*	50.00%*
Hathway Bhaskar Multinet Pvt Ltd	India	31.12.2007	51.00%	51.00%
Hathway New Concept Cable & Datacom Pvt Ltd	India	01.09.2008	51.00%	51.00%
Hathway Latur MCN Cable & Datacom Pvt Ltd	India	15.01.2008	51.00%	51.00%
Hathway Cable MCN Nanded Pvt Ltd	India	17.06.2008	39.67%	39.67%
Hathway Palampur Cable Network Pvt Ltd	India	01.04.2008	51.00%	51.00%
Hathway Mantra Cable & Datacom Pvt Ltd	India	30.08.2007	98.00%	98.00%
Hathway Sai Star Cable & Datacom Pvt Ltd	India	01.09.2008	51.00%	51.00%
Hathway Bhawani Cabletel & Datacom Ltd.	India	31.08.2009	51.00%	51.00%!
Hathway Dattatray Cable Network Pvt Ltd	India	01.07.2009	51.00%	51.00%
Kokan Crystal Cable Network Pvt. Ltd.	India	01.11.2010	51.00%	-

*Subsidiary due to Board Control

^Subsidiary upto 1st September 2009 and Joint Venture since then.

! Joint Venture upto 31st August 2009 and subsidiary since then.

b) List of Joint Venture held directly and Company's effective Ownership

Joint Venture directly held and Company's effective Shareholding therein	Country of the Incorporation	31 st March 2011	31 st March 2010
Hathway Sukhamrit Cable & Datacom Pvt. Ltd.* (Refer Note No. B 8 of Schedule O)	India	50.00%	50.00%
Hathway Bhawani Cabletel and Datacom Ltd#	India	51.00%	48.00%

* Subsidiary upto 1st September 2009

Joint venture up to 31st August 2009

c) List of Associate's held directly and Company's effective Ownership

Joint Venture directly held and Company's effective Shareholding therein	Country of the Incorporation	31 st March 2011	31 st March 2010
Hathway VCN Cabletel Pvt Ltd	India	25.03%	25.03%
Pan Cable Services Pvt. Ltd.	India	33.33%	33.33%

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

<u>Subsidiaries of Hathway Bhaskar Multinet Private Limited</u>	Country of the Incorporation	Date on which it became Subsidiary	31st March 2011	31st March 2010
Hathway Bhaskar Pagariya Multinet Private Limited	India	01.07.2008	26.01%	26.01%
Hathway Bhaskar CCM Entertainment (India) Pvt Ltd	India	01.07.2008	26.01%	26.01%
Hathway CBN Bhaskar Multinet Pvt Ltd	India	01.07.2008	26.01%	26.01%
<u>Subsidiaries of Hathway Bhawani Cabletel & Datacom Ltd.</u>	Country of the Incorporation	Date on which it became Subsidiary	31st March 2011	31st March 2010
Hathway Bhawani NDS Network Private Limited	India	13.10.2010	26.01%	-
<u>Subsidiaries of Gujarat Telelink Private Limited</u>	Country of the Incorporation	Date on which it became Subsidiary	31st March 2011	31st March 2010
GTPL Anjali Cable Network Private Limited	India	03.02.2009	25.50%	25.50%
GTPL Solanki Cable Network Private Limited	India	02.07.2008	25.50%	25.50%
GTPL Zigma Vision Private Limited	India	20.02.2009	35.30%	35.30%
GTPL S K Network Private Limited	India	01.12.2008	25.50%	25.50%
GTPL Video Badshah Private Limited	India	04.08.2008	25.50%	25.50%
GTPL Kutch Network Private Limited	India	23.01.2009	25.50%	25.50%
GTPL City Channel Private Limited	India	31.07.2008	25.50%	25.50%
GTPL SMC Network Private Limited	India	21.01.2009	25.50%	25.50%
GTPL Surat Telelink Private Limited	India	23.01.2009	25.50%	25.50%
GTPL Vidarbha Telelink Private Limited	India	01.09.2009	25.61%	25.61%
GTPL Space City Private Limited	India	13.04.2009	25.50%	25.50%
GTPL Vision Services Private Limited (Previously Invision Services Private Limited)	India	01.10.2009	31.75%	25.50%
GTPL Jai Mataji Network Private Limited	India	01.08.2009	25.00%*	25.50%
Narmada Cyberzone Private Limited	India	01.10.2009	30.00%	30.00%
GTPL Shivshakti Network Private Limited	India	01.04.2009	25.50%	25.50%
GTPL Link Network Private Limited	India	15.04.2009	25.50%	25.50%
GTPL VVC Network Private Limited	India	15.04.2009	25.50%	25.50%
GTPL Blue Bell Network Private Limited	India	01.10.2009	46.00%	46.00%
GTPL Parshwa Cable Network Private Limited (Previously Parshwa Cable Network Private Limited)	India	01.10.2009	28.66%	25.75%
Insight Channel Network Private Limited	India	01.01.2009	37.23%	37.23%
Kolkata Cable & Broadband Pariseva Limited	India	30.06.2010	25.50%	NIL
GTPL Dahod Television Network Private Limited	India	01.08.2010	25.50%	NIL
GTPL Jay Santoshima Network Pvt.Ltd	India	31.03.2011	25.50%	NIL
GTPL Sorath Telelink Private Limited	India	01.04.2010	25.50%	NIL
Gujarat Telelink East Africa Ltd.	Kenya	01.06.2010	25.50%	NIL
GTPL Shiv Network Private Limited	India	01.10.2010	25.50%	NIL

*The Company is a subsidiary by purview of control over Board of Directors.

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

Joint Venture of Gujarat Telelink Private Limited	Country of Incorporation	Effective Ownership in Joint Venture	
		31 st March 2011	31 st March 2010
M/S. Airlink Communication	India	25.50%	25.50%
M/S. GTPL A J Enterprise	India	37.50%	37.50%
M/S. GTPL Adarsh Cable Tv Systeam	India	Nil	25.50%
M/S. GTPL Aditya Vision	India	Nil	25.50%
M/S. GTPL Anil Cable Services	India	25.50%	25.50%
M/S. GTPL Ashok Cable Services	India	25.50%	25.50%
M/S. GTPL Atul Cable Network	India	25.50%	25.50%
M/S. GTPL B Communication	India	25.00%	25.00%
M/S. GTPL Bariya Television Network	India	25.50%	25.50%
M/S. GTPL Daxu Vision	India	Nil	25.50%
M/S. GTPL DM Cable Network	India	Nil	25.50%
M/S. GTPL Gopal Vision	India	Nil	25.50%
M/S. GTPL Gujarat Television Network	India	25.50%	25.50%
M/S. GTPL H K Cable	India	25.50%	25.50%
M/S. GTPL Harsh Cable Network	India	Nil	25.50%
M/S. GTPL Jai Jalaram Vision	India	Nil	25.50%
M/S. GTPL Jaydeep Cable	India	25.50%	25.50%
M/S. GTPL Kal Cable Network	India	25.50%	25.50%
M/S. GTPL Khambhat Cable Network	India	25.50%	25.50%
M/S. GTPL Krishna Cable Network	India	25.50%	25.50%
M/S. GTPL Krishna Cable Services	India	25.50%	25.50%
M/S. GTPL M Channel	India	25.50%	25.50%
M/S. GTPL Maa Bhagwati Entertainment	India	25.50%	25.50%
M/S. GTPL Mahesh Vision	India	Nil*	25.50%
M/S. GTPL Maruti Vision	India	Nil*	25.50%
M/S. GTPL Neelkanth Vision	India	Nil*	25.50%
M/S. GTPL Om Net	India	25.00%	25.00%
M/S. GTPL Pearl Communication	India	30.00%	30.00%
M/S. GTPL Pooja Cable	India	25.50%	25.50%
M/S. GTPL Rainbow Multi Channel	India	25.50%	25.50%
M/S. GTPL Rainbow Video Vision	India	25.50%	25.50%
M/S. GTPL Raj World Vision	India	25.50%	25.50%
M/S. GTPL Rajwadi Channel	India	25.50%	25.50%
M/S. GTPL Renuka Cable	India	25.50%	25.50%
M/S. GTPL S P Enterprise	India	25.50%	25.50%
M/S. GTPL Sagar Cable Services	India	25.50%	25.50%
M/S. GTPL Sai Cable	India	25.50%	25.50%
M/S. GTPL Sai World Chnnel	India	Nil*	25.50%
M/S. GTPL Seema Vision	India	Nil*	25.50%
M/S. GTPL Shiv Cable	India	25.50%	25.50%
M/S. GTPL Shiv Networks	India	25.50%	25.50%
M/S. GTPL Shree Sai Cable Network	India	30.00%	30.00%
M/S. GTPL Shree Shani Cable	India	25.50%	25.50%
M/S. GTPL Star Vision	India	Nil*	25.50%
M/S. GTPL Valsad Network	India	30.00%	30.00%
M/S. GTPL Vraj Cable	India	25.50%	25.50%
M/S. GTPL World View Cable	India	25.50%	25.50%
M/S. GTPL World Vision - Ambaji	India	25.50%	25.50%
M/S. GTPL Zubi Video Vision	India	25.50%	25.50%

Joint Venture of Gujarat Telelink Private Limited	Country of Incorporation	Effective Ownership in Joint Venture	
		31 st March 2011	31 st March 2010
M/S. GTPL Mtm Cable Network	India	25.50%	NIL
M/S. GTPL Sainath World Vision	India	25.50%	NIL
M/S. GTPL Hamidali Rizwi	India	25.50%	NIL
M/S. GTPL Star Line Networks	India	25.50%	NIL
M/S. GTPL Narmada Cable Services	India	25.50%	NIL
M/S. GTPL Leo Vision	India	25.50%	NIL
M/S. GTPL Bawa Cable	India	25.50%	NIL
M/S. GTPL Bapu Network	India	25.50%	NIL
M/S. GTPL Pol Star Vision	India	25.50%	NIL
M/S. GTPL Sai Vision	India	25.50%	NIL
M/S. GTPL World Vision	India	25.50%	NIL

*All partnership firms (JV's) have transferred their business to the parent Company (Gujarat Telelink Private Limited).

f) Joint Venture indirectly held and Company's effective Shareholding therein	31 st March 2011	31 st March 2010
Hathway JMD Balaji Cable Network (Refer note B (6) (D))	Nil	26.99%

g) Associate indirectly held and Company's effective Shareholding therein	31 st March 2011	31 st March 2010
GTPL Rajwadi Network Pvt Ltd	12.50%#	12.50%

#During The year company has invested an amount of Rs.31.25 Lacs in the shares of above associate resulting in allotment of additional 50,000 shares. This has not resulted in any change in percentage holding as shares have been issued to all the existing shareholders in same proportion.

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

Sr. No.	Particulars	Channels India Network Pvt. Ltd.	Vision India Network Pvt. Ltd.	Liberty Media Vision Pvt. Ltd.	Ideal Cables Pvt. Ltd.	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	Bee Network & Communication Pvt. Ltd.	Elite Cables Network Pvt. Ltd.
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2009	31.03.2011	31.03.2011
	Note					2		
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	915,000	877,000	100,000	760,200	4,882,350	999,890	600,000
2	Reserves	9,980,000	6,562,500	-	21,450,000	114,441,000	2,999,250	-
3	Total Liabilities	10,953,805	9,616,070	12,870,023	22,210,200	122,558,746	7,689,198	785,228
4	Total Assets	10,953,805	9,616,070	12,870,023	22,210,200	122,558,746	7,689,198	785,228
5	Investments	-	-	-	-	-	-	-
6	Turnover	-	-	1,075,795	24,485,895	24,550,685	-	-
7	Profit / (Loss) Before Taxation	(38,400)	(10,600)	(36,082)	(11,051,381)	(7,425,224)	(5,500)	(11,500)
8	Profit / (Loss) After Taxation	(38,400)	(10,600)	(64,082)	(11,043,158)	(7,433,494)	(5,500)	(11,500)
9	Provision for Taxation	-	-	28,000	(8,223)	8,270	-	-

Sr. No.	Particulars	Binary Technology Transfers Pvt. Ltd.	Hathway Media Vision Pvt. Ltd.	UTN Cable Communication Pvt.Ltd.	ITV Interactive Media Pvt. Ltd	Chennai Cable Vision Network Pvt. Ltd.	Hathway Universal Cabletel & Data com Pvt. Ltd.	Win Cable & Data com Pvt. Ltd.
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note							
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	100,000	670,400	500,000	100,000	1,800,200	100,000	2,050,000

Sr. No.	Particulars	Binary Technology Transfers Pvt. Ltd.	Hathway Media Vision Pvt. Ltd.	UTN Cable Communication Pvt.Ltd.	ITV Interactive Media Pvt. Ltd	Chennai Cable Vision Network Pvt. Ltd.	Hathway Universal Cabletel & Data com Pvt. Ltd.	Win Cable & Data com Pvt. Ltd.
2	Reserves	-	26,000,000	4,643,640	-	-	-	-
3	Total Liabilities	16,009,135	47,788,220	16,466,196	5,303,933	21,482,427	323,553	203,936,666
4	Total Assets	16,009,135	47,788,220	16,466,196	5,303,833	21,482,427	323,553	203,936,666
5	Investments	15,750,832	-	-	-	-	-	-
6	Turnover	-	146,362,953	31,632,159	-	89,523	6,360	389,138
7	Profit / (Loss) Before Taxation	(16,336)	(2,297,700)	(653,075)	(26,108)	69,238	(1,831)	355,291
8	Profit / (Loss) After Taxation	(16,336)	(1,883,793)	(594,124)	(26,108)	69,238	(1,831)	355,291
9	Provision for Taxation	-	(413,909)	(58,951)	-	-	-	-

Sr. No.	Particulars	Hathway Space Vision Cabletel Pvt. Ltd.	Hathway Software Developers Pvt.Ltd.	Hathway Nashik Cable Network Pvt. Ltd.	Hathway Cnet Pvt. Ltd.	Hathway United Cables Pvt. Ltd.	Hathway Internet Satellite Pvt. Ltd.	Hathway Krishna Cable Pvt. Ltd.
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note							
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	100,200	3,000,000	503,000	1,000,000	100,000	100,000	50,000,000
2	Reserves	-	-	4,500,000	4,985,000	-	-	-
3	Total Liabilities	10,501,084	3,859,100	108,995,277	10,435,848	3,457,236	15,893,221	83,765,357
4	Total Assets	10,501,084	3,859,100	108,995,277	10,435,848	3,457,236	15,893,221	83,765,357
5	Investments	-	-	-	-	6,000	15,750,832	15,000
6	Turnover	-	30,685,036	-	6,408	18,154,156	-	43,990,868
7	Profit / (Loss) Before Taxation	(5,400)	1,003,506	(198,086)	(9,026)	240,293	(123,936)	(6,033,149)
8	Profit / (Loss) After Taxation	(5,400)	1,052,079	(198,086)	(9,026)	190,293	(123,936)	(5,831,303)
9	Provision for Taxation	-	(48,573)	-	-	50,000	-	(201,846)

Sr. No.	Particulars	Hathway Mysore Cable Network Pvt. Ltd.	Hathway Prime Cable & Datacom Pvt. Ltd.	Hathway Gwalior Cable & Datacom Pvt. Ltd.	Hathway Digital Sahranpur Cable and Datacom Pvt. Ltd.	Hathway Enjoy Cable Network Pvt. Ltd.	Hathway JMD Farukhabad Cable & Datacom Pvt. Ltd.	Hathway Jai Mata Di Sherewali Cable & Datacom Pvt. Ltd.
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2009
	Note							1 & 7
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	4,600,000	4,500,000	100,000	200,000	100,000	100,000	16,000,000
2	Reserves	-	-	-	10,413,744	1,025,387	-	-
3	Total Liabilities	10,371,456	4,500,000	100,000	10,613,744	1,125,387	100,000	16,000,000
4	Total Assets	10,371,456	4,500,000	100,000	10,613,744	1,125,387	100,000	16,000,000
5	Investments	10,000	-	-	-	-	-	-
6	Turnover	24,451,217	1,200,192	20,043,969	23,800,674	-	-	15,507,759
7	Profit / (Loss) Before Taxation	4,471,679	(1,893,184)	(20,587)	(1,951,902)	(8,633)	-	(42,818,098)
8	Profit / (Loss) After Taxation	4,505,298	(1,893,184)	(20,587)	(1,951,902)	(8,633)	-	(42,814,274)
9	Provision for Taxation	(33,618)	-	-	-	-	-	(3,824)

Sr. No.	Particulars	Hathway Kokan Crystal Cable Network Pvt. Ltd.	Hathway Latur MCN Cable & Datacom Pvt. Ltd.	Hathway MCN Pvt. Ltd.	Hathway Sonali OM Crystal Cable Pvt Ltd	Hathway ICE Television Pvt Ltd	Hathway Bhaskar Multinet Pvt. Ltd.	Hathway Rajesh Multichannel Pvt. Ltd.
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note							
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	548,820	1,000,000	10,000,000	1,000,000	2,000,000	12,254,200	2,399,090
2	Reserves	37,958,306	17,279,714	35,700,000	14,179,320	3,060,000	140,722,396	-
3	Total Liabilities	38,991,866	29,341,511	69,263,941	15,633,392	5,084,000	194,752,929	18,478,461
4	Total Assets	38,991,866	29,341,511	69,263,941	15,633,392	5,084,000	194,752,929	18,478,462
5	Investments	-	2,100	31,300	-	-	-	2,095,701
6	Turnover	18,433,600	5,570,590	128,860,704	161,787,836	25,786,676	420,210,260	111,460,758
7	Profit / (Loss) Before Taxation	(1,214,230)	(6,848,160)	2,391,927	6,097,087	(3,368,334)	(17,673,864)	(67,834)
8	Profit / (Loss) After Taxation	(1,239,512)	(4,897,024)	1,484,223	4,207,816	(3,368,334)	(17,673,864)	(2,118,047)
9	Provision for Taxation	25,282	(1,951,136)	907,704	1,889,271	-	-	2,050,213

Sr. No.	Particulars	Net 9 Online Hathway Pvt Ltd	Hathway New Concept Cable & Datacom Pvt. Ltd.	Hathway Sai Star Cable & Datacom Pvt. Ltd.	Hathway Cable MCN Nanded Pvt. Ltd.	Hathway Palampur Cable Network Pvt. Ltd.	Hathway Mantra Cable & Datacom Pvt. Ltd.	Hathway Dattatray Cable Network Pvt. Ltd.
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note	7			6			
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	100,000	500,000	1,350,000	17,650,000	300,000	100,000	400,000
2	Reserves	2,404,342	139,600,000	548,926,907	-	10,897,467	-	80,645,170
3	Total Liabilities	4,684,342	140,240,771	555,197,792	21,808,997	11,258,692	100,000	81,045,170
4	Total Assets	4,684,342	140,240,771	555,197,792	21,808,997	11,258,692	100,000	81,045,170
5	Investments	-	-	-	-	-	-	-
6	Turnover	-	57,538,029	184,844,248	14,128,830	11,156,859	-	19,469,239
7	Profit / (Loss) Before Taxation	-	(14,873,799)	5,338,726	(5,488,143)	(133,089)	-	(14,529,514)
8	Profit / (Loss) After Taxation	-	(15,125,021)	4,338,726	(3,713,095)	(147,467)	-	(10,039,894)
9	Provision for Taxation	-	251,222	1,000,000	(1,775,048)	14,378	-	(4,489,620)

Sr. No.	Particulars	Hathway Bhaskar CBN Multinet Pvt. Ltd.	Hathway Bhaskar CCN Multinet Pvt. Ltd.	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	Hathway Bhawani Cabletel & Datacom Ltd.	Hathway Bhawani NDS Network Pvt. Ltd.	Gujarat Telelink Pvt. Ltd.	GTPL Anjali Cable Network Private Limited
			Fka : Hathway Bhaskar Pagariya Multi-net Pvt Ltd.					
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note	3	3	3	5	3	7	4
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	500,000	4,750,000	5,000,000	80,000,000	15,500,000	14,100,000	204,100
2	Reserves	8,252,187	13,950,000	698,545	15,000,000	-	1,438,059,576	26,777,404
3	Total Liabilities	14,202,304	27,298,526	14,968,065	109,288,673	15,500,000	2,369,458,396	28,146,411

Sr. No.	Particulars	Hathway Bhaskar CBN Multinet Pvt. Ltd.	Hathway Bhaskar CCN Multinet Pvt. Ltd.	Hathway Bhaskar CCN Entertainment (India) Pvt. Ltd.	Hathway Bhawani Cabletel & Datacom Ltd.	Hathway Bhawani NDS Network Pvt. Ltd.	Gujarat Telelink Pvt. Ltd.	GTPL Anjali Cable Network Private Limited
4	Total Assets	14,202,304	27,298,526	14,968,065	109,288,673	15,500,000	2,369,458,397	28,146,411
5	Investments	-	-	-	118,000	-	178,487,690	-
6	Turnover	54,850,981	52,448,750	26,439,308	142,307,069	5,721,501	2,338,802,133	20,387,900
7	Profit / (Loss) Before Taxation	8,870,512	3,747,096	1,009,893	3,849,437	(347,189)	307,429,857	65,121
8	Profit / (Loss) After Taxation	6,104,045	3,052,384	800,109	4,665,344	(347,189)	199,241,206	2,220,437
9	Provision for Taxation	2,766,467	694,712	209,784	(815,907)	-	108,188,651	15,000

Sr. No.	Particulars	GTPL Solanki Cable Network Private Limited	GTPL Zigma Vision Private Limited	GTPL SK Network Private Limited	GTPL Video Badshah Private Limited	GTPL Kutch Network Private Limited	GTPL City Channel Private Limited	GTPL SMC Network Private Limited
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note	4	4	4	4	4	4	4
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	650,000	347,200	200,000	100,000	100,000	100,000	100,000
2	Reserves	3,525,119	3,509,726	13,563,652	9,594,552	35,374	(81,554)	1,522,447
3	Total Liabilities	15,564,251	5,495,039	15,990,014	19,048,782	8,060,631	127,752	5,075,493
4	Total Assets	15,564,251	5,495,039	15,990,014	19,048,782	8,060,631	127,752	5,075,493
5	Investments	-	2,000	2,000	-	2,000	-	2,000
6	Turnover	21,803,446	9,025,897	18,914,832	22,730,837	14,372,356	-	6,495,535
7	Profit / (Loss) Before Taxation	1,657,308	151,889	1,111,708	5,558,406	342,266	(8,573)	733,247
8	Profit / (Loss) After Taxation	1,139,455	73,340	599,111	3,735,167	258,259	(8,573)	482,752
9	Provision for Taxation	603,190	39,010	205,000	1,774,000	62,500	-	238,000

Sr. No.	Particulars	GTPL Surat Telelink Private Limited	GTPL Vidarbha Telelink Private Limited	GTPL Space City Private Limited	GTPL Vision Services Private Limited	GTPL Jai Mataji Network Private Limited	Narmada Cyberzone Private Limited	GTPL Shivshakti Network Private Limited
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note	4	4	4	4	4	4	4
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	100,000	205,000	200,000	2,040,820	200,000	11,331,170	100,000
2	Reserves	7,091,343	(26,195,956)	18,647,427	197,055,307	15,477,610	9,838,950	(24,023)
3	Total Liabilities	61,161,069	27,496,037	21,905,318	218,592,288	33,888,827	30,171,968	106,260
4	Total Assets	61,161,069	27,496,037	21,905,318	218,592,288	33,888,827	30,171,968	106,260
5	Investments	-	-	-	-	-	-	-
6	Turnover	100,575,086	28,637,431	5,364,356	82,440,303	28,605,375	34,545,109	-
7	Profit / (Loss) Before Taxation	2,436,590	(13,055,585)	310,240	14,864,820	6,588,864	2,041,071	(14,160)
8	Profit / (Loss) After Taxation	1,646,419	(12,987,725)	1,458,346	9,694,476	4,396,454	1,520,576	(14,160)
9	Provision for Taxation	744,330	-	-	2,756,000	2,100,000	790,200	-

Sr. No.	Particulars	GTPL Link Network Private Limited	GTPL VVC Network Private Limited	GTPL Blue Bell Network Private Limited	GTPL Parshwa Cable Network Private Limited	Insight Channel Network Private Limited	Kolkata Cable & Broadband Pariseva Limited	GTPL Dahod Television Network Private Limited
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note	4	4	4	4	4	4	4
	Currency	INR	INR	INR	INR	INR	INR	INR
1	Share Capital	2,000,000	2,000,000	100,000	100,000	402,900	56,539,000	200,000
2	Reserves	40,634,536	21,195,325	(5,781,055)	2,556,828	7,184,309	8,364,452	7,582,653
3	Total Liabilities	46,636,560	27,081,619	2,634,921	13,450,628	11,353,031	143,034,247	10,593,316
4	Total Assets	46,636,560	27,081,619	2,634,921	13,450,629	11,353,032	143,034,245	10,593,316
5	Investments	-	-	-	-	-	-	-
6	Turnover	18,981,019	12,732,178	1,153,222	22,895,750	7,685,947	94,526,596	9,251,732
7	Profit / (Loss) Before Taxation	(1,580,705)	693,920	(5,778,168)	2,651,905	1,464,208	(2,476,451)	481,192
8	Profit / (Loss) After Taxation	4,173,119	466,040	(5,778,168)	1,787,118	1,004,536	(3,101,549)	(14,358)
9	Provision for Taxation	-	311,000	-	772,020	464,000	-	-

Sr. No.	Particulars	GTPL Jay Santoshima Network Pvt. Ltd	GTPL Sorath Telelink Private Limited	Gujarat Telelink East Africa Ltd.	GTPL Shiv Network Private Limited
	Financial Year ending on	31.03.2011	31.03.2011	31.03.2011	31.03.2011
	Note	4	4	4	4
	Currency	INR	INR	INR	INR
1	Share Capital	1,000,000	1,000,000	55,562	200,000
2	Reserves	20,351,769	15,248,666	(8,632)	2,325,080
3	Total Liabilities	23,344,507	25,352,401	4,153,372	2,995,066
4	Total Assets	23,344,507	25,352,401	4,153,372	2,995,067
5	Investments	-	2,000	-	-
6	Turnover	-	7,934,291	-	1,045,552
7	Profit / (Loss) Before Taxation	(7,545)	45,479	(8,632)	313,077
8	Profit / (Loss) After Taxation	(7,545)	(675,334)	(8,632)	224,422
9	Provision for Taxation	-	-	-	57,113

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

A. M/s. Hathway Space Vision

The Company and two wholly owned subsidiaries of the Company viz. Binary Technologies Transfers Pvt. Ltd. and Hathway Internet Satellite Pvt. Ltd. which are majority partners in a partnership firm namely M/s. Hathway Space Vision, have in the year 2005 lodged certain claims against minority partner of the firm which had arisen due to management and operational issues. The minority partners have also raised counter claims.

The parties have taken legal steps against each other to resolve the issues. Subsequent to the date of the Balance Sheet, on receipt of consent from both the parties, the High Court has dissolved the firm with effect from 8th July 2011. In addition, the Court has appointed Court Receiver as a Receiver of the business and assets of the firm. One of the wholly owned subsidiary has been appointed as an agent of the Receiver. Furthermore, the court has appointed a retired judge as an Arbitrator to arbitrate the disputes and to facilitate the process of dissolution.

The Company based on legal advice has not made any provision towards claims raised by the minority partner of the firm and are considered as claims against the Company not acknowledged as debt below.

B. Hathway Channel 5 Cable & Datacom Private Limited

During the year the Company in respect of Hathway Channel 5 Cable & Datacom Private Limited, a 51:49 joint venture in Delhi, has filed a complaint against joint venture partner for committing various criminal offences such as misappropriation of funds, falsification of accounts, fraudulent destruction of security etc. and has made claim of Rs. 74,321,905. The matter is pending. The total exposure of the Company is Rs.104,934,075 against which a provision of Rs. 62,819,311 is made. The impact of the provision and reversal on non-consolidation is treated as Exceptional item.

For the year 2009-10, the Company had considered provisional account as unaudited financial statements were not available. In view of the above development, no financial statements have been drawn up for the financial year 2010-11. In view of the above development, the Company has not considered this entity for consolidation.

C. Hathway Jai Matadi Sherawali Cable Network Private Limited, Kanpur and M/s. Hathway Jai Matadi Balaji Network

Up to the financial year 2007-2008, the business was carried on by the Company along with the JV partners. However, from the beginning of financial year 2008-2009 disputes arose with the JV partners and the JV partners have migrated to competing cable networks.

As a result, the Company has not received any financial statements/ accounts for the above entities for financial year 2009-10 and 2010-11. Hence, the same has not been consolidated during the year.

The Company has filed petition to wind up Hathway Jai Mata Di Sherawali Cable & Datacom Private Limited (HJMD), a Subsidiary Company, on just and equitable ground. The Company has investment of Rs. 8,000,000 and Receivable of Rs. 7,450,717 from HJMD and the same have been fully provided for. In view of the Management disputes with the Other Shareholders, the Company has decided to take such an action. The Delhi High Court by its order dated 5th May, 2010 records that HJMD has submitted the petition and has opined that it is just and equitable that HJMD be wound up. The Official Liquidator of the Delhi High Court has been appointed as the provisional liquidator of HJMD and has been directed to take overall the assets and books of accounts and records of the Company.

D. The Company has investment in Hathway Jai Matadi Balaji Cable Network and Mantra Enterprises, and Mona Cable (partnership firms).The financial statements of these for financial year 2007-08, 2008-09, 2009-10 and 2010-11 are under preparation. These firms were dissolved as on 31st March 2011. In absence of any financial statements of these firms since the financial year 2007-08 upto the date of dissolution, no liability on such dissolution has been recognised and in opinion of the management, such liability, if any, would not be material. The amounts outstanding in the books as capital contribution have been fully written off. In view of the same, the Company has not considered these partnership firms for consolidation.

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

Name of the Entity	Effective Ownership in Joint Venture	
	31 st March 2011	31 st March 2010
M/s GTPL Ganesh Communication	25.50%	25.50%
M/s GTPL Kim Cable Entertainment	25.50%	25.50%
M/s GTPL Lucky World Vision	25.50%	25.50%
M/s GTPL Nawaz Network	25.00%	25.00%
M/s GTPL Sab Network	25.00%	25.00%
M/s GTPL Universal Cable Network	25.00%	25.00%
M/s GTPL Yak Cable Network	25.00%	25.00%
M/s GTPL Hamidali Cable	Consolidated w.e.f. 01.04.2010	25.50%
M/s.GTPL Bawa Cable	Consolidated w.e.f. 01.04.2010	25.50%
M/s.GTPL GP Marketing	25.50%	25.50%
M/s.GTPL Narmada Cable Service	Consolidated w.e.f. 01.04.2010	25.50%
M/s.GTPL Sky World Vision	25.50%	25.50%
M/S. GTPL Jyoti Cable	25.50%	NIL

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

7) One of the subsidiaries company namely Hathway Bhaskar Multinet Private Limited, has 51% equity interest in Hathway Bhaskar CCN Multinet Private Limited (formerly known as:Hathway Bhaskar Pagaria Multinet Private Limited). The consolidated financial statement for the year 2009-10 was prepared considering unaudited financial statement of this indirect subsidiary. The difference between audited financial statement amounting to Rs.3,819,949 is classified under Prior Period Adjustment.

- 8) The Company has a holding of 50% in one of its Joint ventures namely Hathway Sukhamrit Cable & Datacom Private Limited. In absence of availability of the audited financials for the purposes of this consolidated financial statement, provisional Financial Statements have been considered duly certified by the nominee Directors of one of the Joint Venture Partner.
- 9) The Company in its ordinary course of business has promoted / acquired interest in various entities. These entities have accumulated losses and negative net worth. The Company's exposure to such loss making entities on account of investments in equity shares, on account of amounts advances as Loans & Advances and Sundry Debtors is Rs.74,031,838 (Previous Year Rs.74,031,838), Rs.230,935,035 (Previous Year Rs.206,866,345) and Rs.52,018,760 (Previous Year Rs.47,774,677). The Company has made provision on overall basis of Rs. 74,031,838 (Previous Year Rs. 11,212,527), Rs. 230,935,035 (Previous Year Rs.206,866,345) and Rs.7,450,717 (Previous Year Rs. 7,450,717) against such Investments, Loans and Advances and Sundry Debtors respectively.

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

The provision made in respect of above during the year, is considered under Exceptional Item in the Profit and Loss Account.

- 10) The debtors 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, the Debtors and Loans & Advances have a realizable value in the ordinary course of business not less than the amount at which they are stated in the Balance Sheet.
- 11) During the year 2009-10, due to certain business exigencies in the state of Tamil Nadu, local cable operators and subscribers had migrated to competing Multi System Operator (MSO) and other service providers. As a consequence, the Company relocated part of its assets to other States so as to maximize the economic returns to the Company. Based on initial estimate in FY 2009-10 provision for loss of Distribution Equipments (excluding Access Devices) and other assets aggregating to Rs.116,073,964 was made in the books as an Exceptional Item. In addition, the Company had also made a provision of Rs. 40,307,799 for the outstanding debtors. The Company has been consistently in the process of recovering Access Devices and other assets. During the year 2010-11, the process of recovering Access devices has yielded results and the Company expects to continue this process of retrieval in the next financial year as well. However, as a matter of abundant caution, an additional provision to the extent of Rs.56,593,891 has been made as an Exceptional Item. The balance WDV of the Distribution Equipments, Access Devices and Other Assets located in the State of Tamil Nadu as on 31st March, 2011 is Rs. 6,552,000, Rs. 112,653,753 and Rs. 1,086,104 respectively. In view of the management, the provision made till date towards impairment and loss of assets is adequate and the value of the balance assets would be at least equivalent to written down value and hence no provision is considered necessary.

12) INTANGIBLE ASSETS

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

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

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

13) Goodwill on Consolidation comprises of :

(Rupees)

Particulars	31 st March 2011	31 st March 2010
Goodwill on Consolidation	1,937,652,507	1,808,754,487
Less :Capital Reserve on Consolidation	5,709,986	4,309,986
Net Goodwill on Consolidation	1,931,942,521	1,804,444,501

14) EMPLOYEE STOCK OPTION PLAN

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

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

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

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

Particulars	31 st March 2011 (Rs.)	31 st March 2010 (Rs.)
Total accounting value of Options Outstanding (A)	17,129,765	29,850,009
Deferred Employee Compensation Expense	36,484,048	41,734,423
Less: Amortised	24,157,165	19,354,283
Net Deferred Employee Compensation Expense (B)	12,326,883	22,380,140
Employee Stock Options Outstanding (Net of Deferred Employee Compensation Expense) (A – B)	4,802,882	7,469,869

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

Shares Underlying Options Outstanding

Sr. No.		Particulars	31 st March 2011 (Rs.)		31 st March 2010 (Rs.)	
			No. of Shares	Weighted Average Exercise Price (Rs.)	No. of Shares#	Weighted Average Exercise Price (Rs.)
A	a	Outstanding at the beginning of the year	879,499	116.97	928,500	115.86
	b	Granted during the year	Nil	Nil	60,000	121.98
	c	Forfeited/ Cancelled during the year	109,500	110.20	109,000	110.20
	d	Exercised during the year	Nil	Nil	1	110.30
	e	Expired during the year	Nil	Nil	Nil	Nil
B		Outstanding at the end of the year	769,999	117.33	879,499	116.97
C		Exercisable at the end of the year	456,999	117.09	346,799	116.66
D		Method of Settlement	Equity	Equity	Equity	Equity
E		Weighted average remaining contractual life (in months)	19.89		31.84	
F		Weighted average Fair Value of Option granted during the year #		Nil		110.02

Number of shares and weighted average fair value of options granted during the year for previous year has been adjusted for change in face value from Re.1 to Rs. 10 w.e.f. August 26, 2009.

15) LEASES

(a) Finance Leases:

Lease rentals outstanding as at 31st March 2011 in respect of fixed assets taken on finance lease are as under:

Due	Total minimum lease payments outstanding as at 31st March 2011	Interest not due	Present value of minimum lease payments as at 31st March 2011
Not Later than 1 year	247,562,708 (234,178,680)	37,320,123 (42,971,358)	210,242,585 (191,207,322)
Later than 1 year and not later than 5 years	274,105,710 (271,504,759)	37,639,485 (35,462,998)	236,466,225 (236,041,761)
Later than 5 years	(Nil)	(Nil)	(Nil)
Total	521,668,418 (505,683,439)	74,959,608 (78,434,356)	446,708,810 (427,249,083)

Written Down Value of Fixed Assets acquired under Finance lease as at 31st March 2011 is Rs.751,677,559 (Previous Year Rs. 710,720,615)

Current Liabilities (Net of Advance) include Rs.441,184,107 payable to lessor under finance lease arrangement (Previous Year Rs. 500,048,930).

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

- c) One of the Subsidiary of the company, namely Gujarat Telelink Private Limited has taken Dark Fibers on Optical Fiber Cable and certain other equipments under a cancellable operating lease. The total rental expense under cancellable operating leases during the period was Rs. 617.20 Lacs.(Rs.422.04 Lacs).
- d) Details of Non-Cancellable Leases are as under:

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Rental Expense debited to Profit and Loss Account	46,156,527	26,384,887
Payable in the next one year	33,385,512	25,988,455
Payable after next one year but Before next five years	23,561,544	38,822,022
Payable after five years	Nil	Nil

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

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

Rental Expenses debited to the Profit and Loss Account Rs. 145,765,724 (Previous Year Rs. 100,415,533)

- (e) Operating Leases (As Lessor):

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Gross Carrying Amount of Assets capitalised as Plant & Machinery and given on operating lease	506,441,056	38,464,014
Depreciation for the year	79,902,893	61,745,125

In addition to above, substantial portion of the Set Top Boxes have been given on operating lease. The written down value of Set Top Boxes as on 31st March 2011 is Rs. 1,734,365,550 (Previous Year 1,601,920,908).

Above data pertains to Hathway Cable & Datacom Limited (Holding Company) and Gujarat Telelink Private Limited (subsidiary due to control over its Board of Directors) only. In absence of details from other entities, disclosure under Accounting Standard 19 is restricted to holding company and one of its subsidiaries.

16) EMPLOYEE BENEFITS

- a) Defined Benefit Plans:

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

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

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

	Category	As at 31st March 2011 [Gratuity (Rs.)]	As at 31st March 2010 [Gratuity (Rs.)]
1	Change in benefit obligations:		
	Projected benefit obligations at beginning of the year	17,363,749	15,270,510
	Current Service Cost	17,422,319	3,512,961
	Interest Cost	1,260,338	1,101,304
	Benefits Paid	(2,811,652)	(2,214,298)
	Actuarial Gain / (Loss)	26,95,233	(709,416)
	Projected benefit obligations at end of the year	35,929,987	17,005,173
2	Change in plan assets:		
	Plan assets at the beginning of the year	19,898,991	11,156,535
	Expected return on plan assets	1,981,660	1,105,414
	Actuarial Gain / (Loss)	(146,465)	3,153,402
	Contributions	12,084,094	6,106,618
	Benefits Paid	(2,811,652)	(2,299,971)
	Plan assets at the end of the year	31,006,628	19,221,998
3	Reconciliation of present value of the obligation and the fair value of plan assets		
	Fair Value of plan assets at the end of the year	31,006,628	19,221,998
	Present value of the defined benefit obligations at the end of the year	35,929,987	17,005,173

	Category	As at 31st March 2011 [Gratuity (Rs.)]	As at 31st March 2010 [Gratuity (Rs.)]
	Liability / (Asset) recognised in the Balance Sheet	3,275,769	(2,216,825)
4	Cost for the year		
	Current Service Cost	17,180,384	3,512,961
	Interest Cost	1,260,338	1,101,304
	Expected return on plan assets	(1,958,762)	(1,105,414)
	Actuarial Gain / (Loss)	2,841,968	(3,558,412)
	Net Cost recognised in the Profit and Loss Account	19,323,928	(5,449)
5	Assumptions		
	Interest rate for discount	8%	8%
	Estimated rate of return on plan assets	8%-9%	8%-9%
	Mortality	LIC (94-96) Mortality Table	LIC (94-96) Mortality Table
	Salary Escalation	4% - 5%	4% - 5%

Above data pertains to Hathway Cable & Datacom Limited (Holding Company), Hathway Media Vision Private Limited (wholly-owned subsidiary), Gujarat Telelink Private Limited (subsidiary due to control over its Board of Directors) and Hathway Bhawani Cabletel & Datacom Limited (subsidiary) only. In absence of details from other entities, disclosure under Accounting Standard 15 is restricted to holding company and three of its subsidiaries.

b) Defined Contribution Plans:

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

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

Rupees		
Particulars	31 st March 2011	31 st March 2010
Assets		
Fixed assets	151,713,648	140,391,636
Investments	3,761,000	3,759,000
Inventories	-	-
Cash and bank balances	23,570,567	20,404,563
Sundry debtors	41,956,418	27,066,851
Other Current Assets	-	-
Loans and advances	73,011,057	11,816,621
Liabilities		
Secured loans	-	-
Unsecured loans	-	-
Deferred Tax Liabilities	-	64,302
Current liabilities	94,977,367	45,815,610
Particulars	2010-11	2009-10
Sales	169,113,857	116,157,782
Other income	2,127,887	300,490
Total income	171,241,744	116,458,272
Operating and other expenses	104,237,918	67,961,081
Selling & Administrative Expenses	9,262,671	17,974,336
Employee's remuneration and benefits	13,490,158	12,340,394
Financial charges	251,000	179,910
Depreciation/ amortization	14,265,737	11,196,739
Total expenditure	141,507,482	109,652,458

18) CONTINGENT LIABILITIES

Rupees

Particulars	31 st March 2011	31 st March 2010
a) Counter indemnity given by the Company favoring the bankers for having given bank guarantees.	63,088,500	66,888,500
b) Corporate Guarantee	742,345,000	8,328,090
c) Outstanding Letter of Credit	227,846,361	182,484,780
Total (a to c)	1,033,279,861	257,701,370

- d) Pending finalization of negotiations with one of the broadcasters, the Company has accounted pay channel cost net of discounts expected from such broadcaster. The Company as well as few broadcasters have claims and counter claims against each other, which are yet to be finalized and settled. The contingent liability in respect of such claims wherever ascertained, have been considered under Claims against the Company not acknowledged as debts.
- e) The relevant Authority under the Karnataka Sales Tax / VAT had initiated proceeding to reassess the Company's liability for the financial years 2001-02 to 2008-09 on the argument that light energy created while using OFC network for the purposes of transmission is goods and hence liable to tax under relevant state legislation.

On writ petition, the Karnataka High Court has held against the Company. On further appeal, the Honourable Supreme Court remanded the matter to the Tribunal. However, Sales Tax Tribunal did not entertain the appeal of the Company as no assessment was made.

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

- a) Pursuant to various amendments under Karnataka Entertainment Tax Act, 1958 to levy entertainment tax on LCO's and MSO's, the Government of Karnataka has issued various notices for re-assessment for various periods. The Company has challenged the notices and validity of amendments with the Hon'ble High Court of Karnataka. The Hon'ble High Court of Karnataka has issued stay order against such notices on payment of Rs. 6,431,950 being 50% of the Basic Entertainment Tax liability.

The Company has filed a petition before the Honourable Court of Andhra Pradesh challenging the virus of the amendment to the Andhra Pradesh Entertainment Tax Act, 1939 which has resulted in the levying of the Entertainment Tax on MSOs. The petition has been admitted and the levy and the action pursuant thereto have been ordered to be stayed.

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

- f) One of our subsidiaries namely Hathway Bhaskar Multinet Private Limited has not provided for the demand of Rs. 290,385,000 upto December 2010 raised by the Commercial Tax Department, Jaipur on account of Entertainment Tax on cable connection in view of the Honourable Supreme Court judgement in the case of Purvi Communication v/s West Bengal. As per Management, the Company being Multi System Operator (MSO) and has not given any direct Connection to customers, the said demand is not justifiable. This case being different than that of Purvi Communication and the same is not covered by Rajasthan Entertainment and Advertisement Tax Act, 1957 in the tax purview. Hence, the provision of the said Act is not applicable on the Company. The Company has filed appeal before the Deputy Commissioner (Appeal) against the said demand. In support of the Company's view the honourable Rajasthan Tax Board, Ajmer has allowed the appeal of the Company on the said issue by deleting the demand for Rs. 40,024,000 for the period March 2006 to December 2006 vide., its order dated 29th October 2010. However the Commercial Tax Department has filed an appeal before the Honourable High Court against such order.

g) Income Tax Matter

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Income Tax matter under appeal	84,491,763	Nil

- h) Other Claims against the Company not acknowledged as debts are as under

Amount (in Rs.)

Matters with	2010-2011	2009-2010
Broadcasters/Channels	32,906,707	101,508,887
Operators	53,761,542	53,741,453
Entertainment Tax Department	53,648,976	52,675,456
Other Statutory Departments	581,373	6,767,385
IPO Creditors	-	11,085,015
Other Miscellaneous Matters	1,515,574	1,467,439
Total	142,414,172	227,245,635

19) Deferred Tax Assets / Deferred Tax liability is given below:-

Disclosure relating deferred tax liabilities required pursuant to Accounting Standard 22 – “Accounting for Taxes on Income” is as under:

Deferred Tax Assets

Rupees

Particulars	31 st March 2011	31 st March 2010
<u>Deferred Tax Assets (A)</u>		
Disallowances Under Income Tax Act 1961	6,848,917	-
Leave Encashment Payable	4,219,848	3,281,128
Carried Forward Losses	17,142,123	6,727,139
On Account of Bonus	744,938	669,681
Provision for Doubtful Debts	495,072	910,646
Others	4,387,713	1,864,991
Total (A)	33,838,611	13,453,585
<u>Deferred Tax Liability (B)</u>		
Difference between book and tax depreciation	7,691,848	4,085,785
Others		411,776
Total (B)	7,691,848	4,497,561
<u>Deferred Tax Assets /(Liability) (A-B)</u>	26,146,763	8,956,024
<u>Deferred Tax Liability</u>		
		Rupees
Particulars	31st March 2011	31st March 2010
<u>Deferred Tax Assets (A)</u>		
Unabsorbed Depreciation	121,262,137	140,134,175
Disallowances Under Income Tax Act 1961	33,429,257	209,107
Carried Forward Losses	45,935,637	21,428,834
Provision for Doubtful Debts	351,346	419,263
Others	499,159	459,362
Total (A)	201,477,536	162,650,741
<u>Deferred Tax Liability (B)</u>		
Difference between book and tax depreciation	317,379,575	253,912,865
Total (B)	317,379,575	253,912,865
<u>Deferred Tax Assets /(Liability) (A-B)</u>	(115,902,039)	(91,262,124)

20) RELATED PARTY DISCLOSURES
Particulars of Related Parties
A Controlled by:

(Upto 19th February 2010)

Mr. Rajan Raheja

Mr. Akshay Raheja

Mr. Viren Raheja

Hathway Investments Pvt. Ltd.

Spur Cable & Datacom Pvt. Ltd.

Asian Cable Systems Pvt. Ltd.

B Entities under control not considered for Consolidation

Others

Hathway Space Vision (Refer note B (6) (A) of Schedule O)

Hathway Jai Mata Di Sherawali Cable Network Pvt Ltd.(Refer note B (6) (C) of Schedule O)

Hathway Jhansi JMDSR Cable & Datacom Pvt Ltd.

Hathway Channel 5 Cable & Datacom Pvt. Ltd. (Refer note B (6) (B) of Schedule O)

C Others

- 1 Associate Company: Hathway VCN Cablenet Pvt. Ltd.
Pan Cable Services Pvt. Ltd.
- 2 Companies / Firms under the Significant
Significant Influence of Persons having control
over the Company (upto 19th February 2010) Globus Stores Pvt. Ltd.
R & S Business Centre
Outlook Publishing (India) Pvt. Ltd.
- 3 Joint Venture Hathway Sukhamrit Cable & Datacom Pvt Ltd (50%) (Refer
note B (8) of Schedule O)
Hathway Jai Mata Di Balaji Cable Network (since dissolved)
Mantra Cable (since dissolved)
Mona Cable Network (since dissolved)
- 4 Key Managerial Personnel K Jayaraman-Managing Director

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

Disclosure as per paragraph 27 to Accounting Standard 18 on "Related Party Disclosure" (Refer Note no. B(15) to Schedule N)

Type of Transaction	Name of the Party	31st March 2011	31st March 2010
Income From Operation	Globus Stores Pvt. Ltd.	-	850,000
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	6,242,514	-
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	15,000,000	-
	Hathway VCN Cablenet Pvt. Ltd.	1,520,831	-
	Outlook Publishing (India) Pvt. Ltd.	-	564,000
Provision against Advances made during the year	Hathway Jai Mata Di Balaji Cable Network	(1,634)	68,218
	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	59,097
	Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	-	42,542
	Hathway Space Vision (Firm)	16,482,618	45,944,686
	Pan Cable Services Pvt. Ltd.	2,500	2,500
Other Expenses	Hathway VCN Cablenet Pvt. Ltd.	7,583,572	16,804,316
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	1,520,834	1,506,582
	R & S Business Centre	1,746,591	-
Remuneration and Perquisites	K. Jayaraman	-	420,000
Sale of Fixed Assets	K. Jayaraman	9,804,157	10,833,673
Net Advances made/ (recovered) During the year	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	1,291,493	2,767,468
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	-	(2,700,273)
	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	-	157,097
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	127,299	53,204
	Hathway Jhansi JMDSR Cable & Datacom Pvt. Ltd.	-	42,542
	Pan Cable Services Pvt. Ltd.	2,500	2,500
	Hathway Jai Mata Di Balaji Cable Network	-	66,584
Investments written off during the year	Hathway VCN Cablenet Pvt. Ltd.	7,583,572	16,804,316
	Hathway Jai Mata Di Balaji Cable Network	(105,731)	-
	Hathway Mantra (Partnership Firm)	(22,000)	-
Investments	Mona cable Network	(52,569)	-
	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	20,510,892	20,510,892
Debtors	Hathway Mantra (Partnership Firm)	-	22,000
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	44,568,043	40,323,960
	Outlook Publishing (India) Pvt. Ltd.	-	-
Loans & Advances	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	22,586,753	4,919,724
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	1,096,423	969,124
	Hathway Jai Mata Di Sherawali Cable Network Pvt. Ltd.	5,421,482	5,421,482
	R & S Business Centre	-	200,000
	K. Jayaraman	2,767,912	2,767,912
Current Liabilities	Hathway Sukhamrit Cable & Datacom Pvt. Ltd.	67,112	67,112
	Hathway Channel 5 Cable & Datacom Pvt. Ltd.	2,453,279	1,380,743
	R & S Business Centre	-	65,052

21) PRIOR PERIOD ITEMS:

Rupees

Prior Period Items	31st March 2011	31st March 2010
Income of Earlier Years credited to Profit and Loss Account	6,399,822	110,952
Expenses of earlier years reversed and credited to Profit and loss account	5,163,587	7,836,594
Total Credit (A)	11,563,409	7,947,546
Income of earlier years reversed and debited to Profit & Loss Account	1,056,855	1,237,640
Expenses of earlier years debited to profit and loss a/c	33,742,369	12,903,092
Total Debit (B)	34,799,224	14,140,732
Total (A-B)	(23,235,815)	(6,193,184)

Rectification relating to earlier years has resulted in increase in Sundry Debtors And decrease in Loans & Advances by Rs.25,000,000 as of March 31, 2010.

22) CAPITAL COMMITMENTS

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for aggregate to Rs.994,243,549 (P.Y.Rs. 222,780,288).

23) Unhedged Foreign Currency Exposure

Currency	31-03-2011			31-03-2010		
	Amount in Foreign Currency	Exchange Rate	Amount in Indian Rupees	Amount in Foreign Currency	Exchange Rate	Amount in Indian Rupees
Secured Loans						
USD	12,801,698	44.59	570,827,706	19,289,179	44.89	865,891,230
Accounts Payables						
USD	4,512,201	44.59	201,199,064	769,088	44.89	33,626,580

Above data pertains to Hathway Cable & Datacom Limited (Holding Company), Hathway MCN Private Limited (subsidiary), and Gujarat Telelink Private Limited (subsidiary). In absence of details from other entities, this disclosure under Accounting Standard 11 is restricted to holding company and two of its subsidiaries.

- 24) The Group has opted for accounting the exchange difference arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 (AS 11) notified by the Government of India on March 31, 2009. Accordingly the Company has capitalised exchange (Gain) / loss of Rs. 886,565 (P.Y. Rs. 99,176,752) with the cost of fixed assets.

25) EARNINGS \ (LOSS) PER SHARE

Particulars	2010-11	2009-10
Profit \ (Loss) after tax (but including prior period adjustment, Adjustment for subsidiary/desubsidiary, adjustment for change in policy by a subsidiary, profit share of associates and Minority Interest)	(312,669,466)	(800,999,569)
Weighted / Adjusted No. of ordinary shares (No.'s)	142,857,100	119,715,166
Nominal value of ordinary shares (Rs.)	10	10
Basic Earnings per share (Rs.)	(2.19)	(6.69)

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

As Per Our Report Of Even Date
For G. M. KAPADIA & CO.
 Chartered Accountants

For and on behalf of the Board

(ATUL SHAH)
 Partner

(GANAPATHY SUBRAMANIAM)
 Chief Financial Officer

(K . JAYARAMAN)
 Managing Director & C.E.O.

(MILIND KARNIK)
 President- Finance & Company Secretary

(VINAYAK AGGARWAL)
 Director

Mumbai
 Dated : 12th August 2011

Mumbai
 Dated : 12th August 2011

Notes

[illegible]

Notes

[illegible]



Hathway Cable & Datacom Limited

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

Attendance Slip

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

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

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

DP ID No.*: _____

Name of the Proxy (In Block Letters): _____

(To be filled in if the Proxy attends instead of the Member)

I hereby record my presence at the 51st Annual General Meeting of the Company at **ISKONs Auditorium, Hare Krishna Land, Next to Hare Krishna Temple, Juhu, Mumbai – 400 049**, at 3.00 p.m. on Tuesday, 27th September 2011.

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

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

Applicable if the shares are held in dematerialised form.

----- Please cut here -----



Hathway Cable & Datacom Limited

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

Proxy Form

I/We _____ of _____ being a Member/

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

_____ as my/ our Proxy to attend and vote for me/us and on my /our behalf at the 51st Annual General Meeting of the Company to be held on Tuesday, 27th September, 2011 at 3.00 p.m. and at any adjournment thereof. Unless otherwise instructed, the proxy will act as he thinks fit.

Signed this _____ day of _____ 2011.

Folio No/ Client ID no*.: _____

Signature

DP ID No.*: _____

No. of Shares: _____

affix
Rupee
Revenue
Stamp

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

* Applicable if the shares are held in dematerialized form.



Hathway Cable & Datacom Limited

Mumbai: (022) 6662 3333