



Contents

THE COMPANY

- 01 Group Principles
- 02 Letter to Shareholders from the Executive Chairman
- 04 Hinduja Ventures Financial Highlights
- 06 General Information

REPORTS

- 07 Board's Report
- 18 Corporate Governance Report
- 35 Management Discussion & Analysis Report

FINANCIAL STATEMENTS

- 66 Standalone
- 98 Consolidated
- 153 HVL Holding Structure
- 154 IMCL Geographical Spread

Group Principles



The Group Founder
Shri Parmanand Deepchand Hinduja

The five principles as under, distilled from the lifetime experience of the Founder of Hinduja Group, late Shri Parmanand D. Hinduja, serve as the cultural cornerstones of the businesses of the Group, leading to a synergistic and creative partnership of professional management and entrepreneurship among the Group Companies.

Work to Give

Word is a Bond

Act Local; Think Global

Partnership for Growth

Advance Fearlessly

Letter to Shareholders

from the Executive Chairman

It gives me immense pleasure to communicate with our esteemed shareholder family about the performance of the Company for the year and our journey going forward. The fiscal year 2014-15 has been a year of change, a year of high expectations and a year of mixed results for the Indian economy. Initial estimates by the Government show that economic growth accelerated to 7.4%. A more robust economic performance as compared to earlier estimates emerged from revised data based on an updated base year, wider coverage of goods and services, and the inclusion of tax data to estimate economic activity. Monthly industrial production estimates indicate a more modest upturn. The production of capital goods expanded after three years in the red. However, consumer durables continued to decline. The financial sector also got a fillip, due to government's financial inclusion schemes and the issuance of new banking licenses by RBI would further strengthen the financial sector.

International Monetary Fund projected that India will overtake China as the fastest growing emerging economy in 2015-16 by clocking a growth rate of 7.5%, helped by its recent policy initiatives, pick-up in investments and lower oil prices. World Bank too has similar GDP growth forecast for India for the current fiscal year. These estimates are largely based on India's economy now being on a cyclical upswing and forward-looking indicators suggest domestic demand is gathering momentum. The government's initiative for Make in India, Digital India, enhancing the foreign investment limit in defence, railways and insurance sectors; fuel subsidy reforms in terms of deregulation of diesel prices, review of gas pricing and direct transfer of LPG subsidies into the beneficiaries accounts; improving access to long-term financing for infrastructure projects; and auction of coal mines and spectrum; Radio FM frequencies and other ease of doing business measures have boosted overall confidence of the Investors. Low inflation has enabled the Reserve Bank of India to cut interest rates easing pressure on the private sector. Lower rates as well as the government's infrastructure and disinvestment programs should provide a boost to domestic-oriented industries. The dampener to these growth expectations could be the monsoons and the global economic scenario prevailing at present.

During the year, the total consolidated and standalone income of the Company increased by 1.63% to ₹ 786.11 Crores and 3.67% to ₹110.45 Crores respectively. Considering the present economic scenario, your Company strives to grow its business in the following sectors viz. Media, Investment, Treasury and Real Estate.

Overview and sectorial performance of Company's investments

Media

Media and Entertainment Industry in India is worth ₹ 1.02 Lakhs Crores, which will grow to ₹ 1.9 Lakh Crores by 2018, growing at a rate of 13.9% CAGR. The big challenge for the Entertainment Media Industry is the Government mandated deadline for digitisation of over 70 million homes in Phase III by December 31, 2015 and another 30 million homes are due to be digitised by December 31, 2016 in rural areas. With the significant presence in Phase I and II of DAS through IMCL, your Company is well poised through its subsidiaries viz. IndusInd Media and Communications Limited (IMCL) and Grant Investrade Limited (GIL) to take significant stake in the digitisation of thousands of towns and cities in Phase III. 2014 has been a turning point for the Media and Entertainment Industry in India in many ways. With the current Government's optimistic outlook, business sentiment has been positive and strengthened by a number of growth promoting policies. The Media & Entertainment Industry is clearly at a point where your Company's exponential growth is expected to grow which will be driven largely through digitisation in Phase III and IV which will enable enhanced broadband and TV everywhere promoting multi screen distribution potential.

IndusInd Media & Communications Limited (IMCL)

Last year, your Company's principal subsidiary i.e. IMCL has successfully managed digitalisation in the Phase I and II. IMCL is now taking steps to expand in the Phase III & IV digitalisation program. Phase III digitalisation deadline is December 2015 and Phase IV is December 2016. This expansion will have very little investment requirement as IMCL will rely on the HITS platform provided by Grant Investrade Limited, a fellow subsidiary Company for the launch, both with respect to the headend equipment and the set top boxes. For this purpose, IMCL has entered into a MoU with GIL for provision of passive white label infrastructure services. This will enable IMCL to upgrade its consumer base to a very high level of sophisticated digital video services at very minimum cost.

Grant Investrade Limited (GIL)

Grant Investrade Limited (GIL), a wholly owned subsidiary of the Company has last year embarked on a project for setting up infrastructure to provide services under the Headend-in-the-Sky (HITS) platform to the Cable TV industry. GIL has been granted permission by Ministry of Information and Broadcasting (MIB) to launch HITS. GIL believes that the entire expansion in the Phase III & IV cities for digitalisation can best be addressed through the HITS technology owing to the superior technology, cost effectiveness as compared to the traditional methods of transmitting signals

Letter to Shareholders

from the Executive Chairman

through fibre, low investment in capital equipment by the cable operators and at the same time ensuring that world class quality of service is ensured for the consumers. The brand name of the “Headend-in-the-Sky” (HITS) services to be provided by GIL is ‘**NXT Digital**’.

HITS is a satellite multiplex service that provides cable channels to cable television operations. The HITS service effectively replaces the more complex traditional headend. HITS as a concept was developed to deliver signals to small cable headends that did not find it viable to install their own Conditional Access Systems (CAS) and centralized services like SMS and billing.

There are approximately 60,000 cable operators and over 6,000 Independent Cable Operators (ICO's) functioning in analog networks. Of the 6,000 ICO's very few have applied for DAS license for Phase III. These operators are going to greatly benefit from the state-of-art digital satellite multiplex service of **NXT Digital**. It is fully expected that by March 31, 2016, **NXT Digital** will serve million of customers through hundreds of operators giving them a superior technology at a value for money affordable cost.

IDL Speciality Chemicals Limited (IDL)

Your Company has approved the Scheme of Amalgamation of IDL Speciality Chemicals Limited, wholly owned subsidiary with your Company. The Scheme envisages resulting in consolidation of the business in one entity and strengthening the position of merged entity by enabling it to harness and optimize the synergies of the two companies. Once the scheme is approved, there will be an increase in the trading stock of a listed share in the banking sphere and a significant increase in the land bank for the two metros of Hyderabad and Bengaluru.

Corporate Social Responsibility

Primary Health Care Centres

This year also, your Company has generously funded the Hinduja Foundation in implementing its Primary Health Care project for up-gradation of Primary Health Centres and Sub Centres in Jawahar Taluka, Palghar District, Maharashtra. The project focuses on providing access to basic health care facilities to poor people. This envisages the Company's continuous efforts to serve the society especially the underprivileged sections of the Society.

Hinduja Foundation is collaborating with Additional Collector at Jawahar for Upgrading Primary Health Centres (PHCs) and Basic Health Centres (BHCs) there by strengthening health services in the rural and tribal communities, thus creating a role model project for public private partnership. These PHCs and BHCs are being strengthened in collaboration with the Govt. Health Department.

Way forward

Your Company will keep evaluating various business opportunities towards increasing stakeholder's value. Your Company fully expects that the tremendous opportunities available in Phase III of digitising over 70 million homes will be fully seized by its two subsidiaries IMCL and GIL and it is expected that these opportunities will be monetized due to the adoption of the prepaid model and will be value accretive to the shareholders, thereby unlocking the value of subsidiaries of your Company. Similarly the other investments made by your Company have continued to grow year-on-year adding value to investors wealth.

I would like to place on record my sincere appreciation of your unstinted support to the Company. I would also like to thank the Directors, Management and Employees for the good performance registered. Also my thanks go out to our Bankers, Auditors and Advisors for their help and guidance during the year to maintain the highest standards of corporate governance, a top priority for the group.

Yours sincerely,



Ashok P. Hinduja
Executive Chairman
Mumbai, August 4, 2015

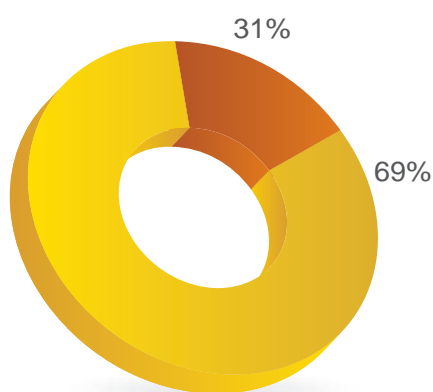
Financial Highlights

Consolidated

[Amount ₹ in Crores]

| For the year | 2015 | 2014 | 2013 | 2012 | 2011 |
|----------------------------------|--------|--------|--------|--------|--------|
| Operating Income | 754.88 | 766.60 | 696.88 | 538.49 | 433.58 |
| Total Income | 786.11 | 773.49 | 701.96 | 563.05 | 475.29 |
| Total Expenditure | 732.05 | 749.68 | 519.96 | 357.85 | 310.55 |
| Profit After Minority Interest | 18.26 | 0.20 | 80.22 | 100.46 | 86.57 |
| As at the end of the year | | | | | |
| Share Capital | 20.56 | 20.56 | 20.56 | 20.56 | 20.56 |
| Reserve and Surplus | 742.84 | 762.41 | 798.28 | 713.83 | 649.20 |
| Net Worth | 763.40 | 782.97 | 818.84 | 734.39 | 669.76 |
| Loan Funds | 893.43 | 844.17 | 787.18 | 127.77 | 102.44 |
| Net Fixed Assets | 642.67 | 641.81 | 651.87 | 304.56 | 265.62 |
| Investments | 271.17 | 305.29 | 320.19 | 225.96 | 272.67 |
| Earnings per Share (₹) | 8.88 | 0.10 | 39.02 | 48.87 | 42.12 |
| Dividend (%) | 150% | 150% | 150% | 150% | 125% |
| Dividend Amount | 30.83 | 30.84 | 30.84 | 30.83 | 25.69 |
| Book value per Share (₹) | 371 | 381 | 398 | 357 | 326 |

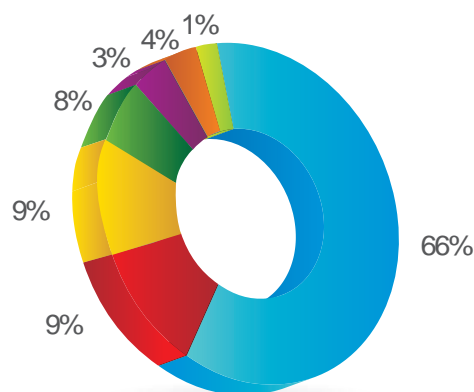
Rupee Earned (Consolidated)



Rupee Earned (Consolidated)

- Investments & Treasury
- Media & Telecommunications

Rupee Spend (Consolidated)



Rupee Spend (Consolidated)

- Total Expenditure
- Depreciation
- Interest & Other Finance Charges
- Minority Interest/Share in Associates
- Tax (Including Deferred Tax)
- Dividend & Dividene Tax
- Residual Surplus

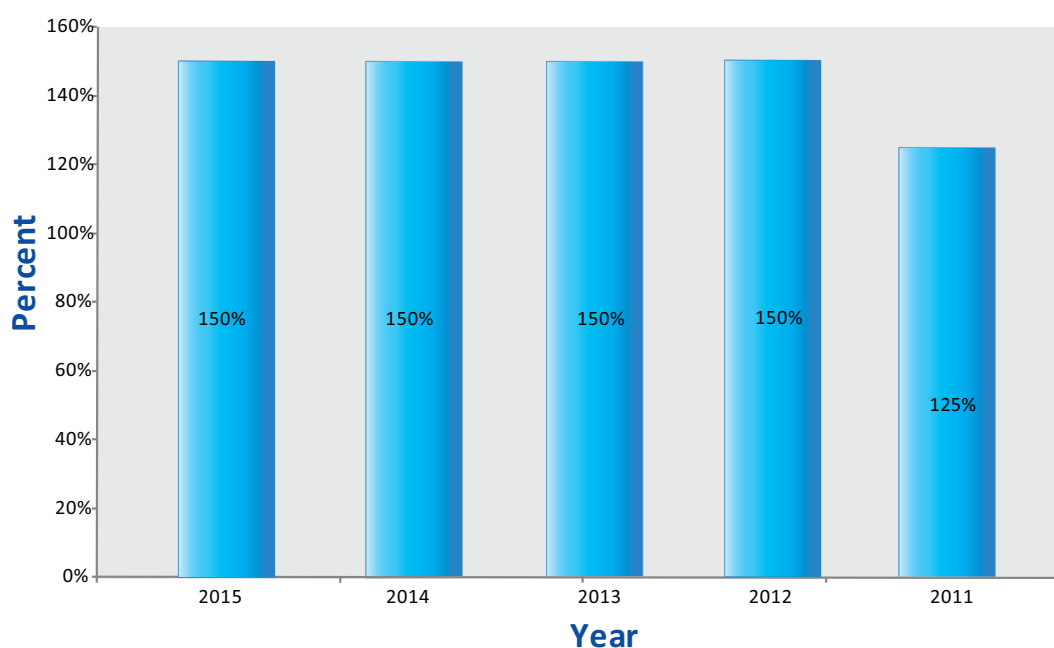
Financial Highlights

Standalone

[Amount ₹ in Crores]

| For the year | 2015 | 2014 | 2013 | 2012 | 2011 |
|----------------------------------|--------|--------|--------|--------|--------|
| Total Income | 110.45 | 106.54 | 94.52 | 90.11 | 83.48 |
| Total Expenditure | 15.67 | 16.50 | 8.51 | 13.87 | 13.64 |
| PBIDTA | 94.78 | 90.04 | 86.01 | 76.24 | 69.84 |
| Profit After Tax | 92.59 | 82.03 | 76.75 | 65.02 | 57.61 |
| As at the end of the year | | | | | |
| Share Capital | 20.56 | 20.56 | 20.56 | 20.56 | 20.56 |
| Reserve and Surplus | 796.34 | 740.75 | 694.79 | 654.12 | 624.93 |
| Net Worth | 816.90 | 761.31 | 715.35 | 674.68 | 645.49 |
| Net Fixed Assets | 14.05 | 14.30 | 16.56 | 19.01 | 21.37 |
| Investments | 629.12 | 563.25 | 189.02 | 256.91 | 302.94 |
| Earnings per Share (₹) | 45.05 | 39.91 | 37.34 | 31.63 | 28.03 |
| Dividend (%) | 150% | 150% | 150% | 150% | 125% |
| Dividend Amount | 30.83 | 30.83 | 30.83 | 30.83 | 25.70 |
| Book value per Share (₹) | 397 | 370 | 348 | 328 | 314 |

DIVIDEND PAYOUT



General Information

HINDUJA VENTURES LIMITED

CIN NO: L51900MH1985PLC036896

Board of Directors

Mr. Ashok P. Hinduja, Executive Chairman
Mr. Ramkrishan P. Hinduja, Co-Chairman
Mr. Anil Harish
Mr. Rajendra P. Chitale
Mr. Prashant Asher (w.e.f. September 23, 2014)
Ms. Bhumika Batra (w.e.f. March 11, 2015)
Mr. Sudhanshu Tripathi (w.e.f. August 04, 2015)
Mr. Ashok Mansukhani, Whole-Time Director
Mr. Hemraj C. Asher (up to June 05, 2014)
Ms. Vinoo Hinduja (up to January 30, 2015)
Mr. Prakash Shah (up to April 24, 2015)

Committee of the Board

Audit Committee

Mr. Anil Harish, Chairman
Mr. Rajendra P. Chitale
Mr. Ramkrishan P. Hinduja
Mr. Hemraj C. Asher (up to June 05, 2014)
Mr. Prakash Shah (up to April 24, 2015)

Nomination & Remuneration Committee

Mr. Anil Harish, Chairman
Mr. Rajendra P. Chitale (w.e.f. September 23, 2014)
Mr. Prashant Asher (w.e.f. September 23, 2014)
Mr. Hemraj C. Asher (up to June 05, 2014)
Mr. Ramkrishan P. Hinduja (up to August 12, 2014)
Mr. Prakash Shah (up to September 23, 2014)

Stakeholders Relationship Committee

Ms. Bhumika Batra, Chairperson (w.e.f. April 24, 2015)
Mr. Ramkrishan P. Hinduja
Mr. Prashant Asher (w.e.f. September 23, 2014)
Mr. Hemraj C. Asher (up to June 05, 2014)
Mr. Prakash Shah (up to April 24, 2015)

Company Secretary

Mr. Hasmukh Shah (w.e.f. January 01, 2015)
Mr. Amit Vyas (up to December 12, 2014)

Internal Auditor

Mr. Mihir Parab (w.e.f. March 23, 2015)
Mr. Datta Gawade (up to January 09, 2015)
DGM - Internal Audit

Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants

Solicitors & Advocates

Crawford Bayley & Co.

Bankers

IndusInd Bank Limited
HDFC Bank Limited
State Bank of India
Axis Bank Limited

Registered Office

In Centre, 49/50, MIDC,
12th Road, Andheri (East),
Mumbai - 400 093.
Tel.: (91 22) 6691 0945
Fax.: (91 22) 6691 0988

Registrar & Share Transfer Agent

Sharepro Services (India) Private Limited
13AB, Samhita Warehousing Complex,
2nd Floor, Near Sakinaka Telephone Exchange,
Andheri-Kurla Road, Sakinaka, Andheri (East),
Mumbai - 400 072.
Tel.: (91 22) 6772 0300
Fax.: (91 22) 2850 8927 / 2859 1568

Board's Report

To the Members,

Your Directors have pleasure in presenting the Thirtieth Annual Report and Company's Audited Financial Statements for the financial year ended March 31, 2015.

FINANCIAL RESULTS

| | (₹ in Crores) | | | |
|--|----------------|---------|---------------|--------|
| | Consolidated | | Standalone | |
| For the year ended March 31 | 2015 | 2014 | 2015 | 2014 |
| Total Income | 786.11 | 773.49 | 110.45 | 106.54 |
| Total Expenses | 816.23 | 871.52 | 17.13 | 19.01 |
| (Loss) / Profit before tax | (30.12) | (98.03) | 93.32 | 87.53 |
| Exceptional/Extraordinary Items | 6.20 | - | - | - |
| (Loss) / Profit before tax | (36.32) | (98.03) | 93.32 | 87.53 |
| Provision for tax (incl. deferred tax) | 27.47 | (41.43) | 0.73 | 5.50 |
| (Loss) / Profit after tax | (63.79) | (56.60) | 92.59 | 82.03 |
| Minority Interest | (82.05) | (56.80) | - | - |
| Profit After Minority Interest | 18.26 | 0.20 | 92.59 | 82.03 |

REVIEW OF OPERATIONS AND STATE OF AFFAIRS:

On a Consolidated basis, total income for the financial year 2014-15 at ₹ 786.11 Crores was higher by 1.63% over last year (₹ 773.49 Crores in 2013-14). Earnings before interest, tax, depreciation and amortisation (EBITDA) was ₹ 146.75 Crores registering growth of 1.83% over EBITDA of ₹144.11 Crores in 2013-14. Net profit after tax and minority interest increased to ₹18.26 Crores from ₹ 0.20 Crores during 2013-14.

On Standalone basis, total income for the financial year 2014-15 at ₹ 110.45 Crores was higher by 3.67% over last year (₹ 106.54 Crores in 2013-14). Earnings before interest, tax, depreciation and amortisation (EBITDA) was ₹ 94.78 Crores registering a growth of 5.26% over EBITDA of ₹ 90.04 Crores in 2013-14. Profit after tax (PAT) increased by 12.88% to ₹ 92.59 Crores over PAT of ₹ 82.03 Crores in 2013-14.

DIVIDEND:

Your Directors have declared interim dividend of ₹ 15 per Equity Share (150 % Dividend on face value of ₹ 10/- per Equity Share) for financial year 2014-15 which has been paid. Your Directors have recommended interim dividend as the final dividend for the financial year 2014-15. The interim dividend involving a cash outflow of ₹ 37.00 Crores including Dividend Distribution Tax, representing 39.96% of the current year earnings.

TRANSFER TO RESERVES:

An amount of ₹ 9.26 Crores was transferred to the General Reserve and an amount of ₹ 542.08 Crores has been carried forward as Balance in the Statement of Profit and Loss.

REVIEW OF INDIAN ECONOMY:

The fiscal year 2014-15 has been a year of change, a year of high expectations and a year of mixed results for the Indian economy. Initial estimates for fiscal year 2014 (ending March 31, 2015) by the Government show that economic growth accelerated to 7.4%. A more robust economic performance as compared to earlier estimates emerged from revised data based on an updated base year, wider coverage of goods and services, and the inclusion of tax data to estimate economic activity. Monthly industrial production estimates indicate a more modest upturn. The production of capital goods expanded after three years in the red. However, consumer durables continued to decline. Improved coal production helped double the growth of electricity generation over the previous year's rate.

International Monetary Fund has projected that India will overtake China as the fastest growing emerging economy in 2015-16 by clocking a growth rate of 7.5%, helped by its recent policy initiatives, pick-up in investments and lower oil

prices. World Bank too has similar GDP growth forecast for India for the current fiscal year.

These estimates are largely based on India's economy now being on a cyclical upswing and forward-looking indicators suggest domestic demand is gathering momentum. Low inflation has enabled the Reserve Bank of India to cut interest rates easing pressure on the private sector. Lower rates as well as the government's infrastructure and disinvestment programs should provide a boost to domestic-oriented industries. The dampener to these growth expectations could be the monsoons.

Overall therefore, the economy is expected to do better in fiscal year 2016 compared to fiscal year 2015.

INVESTMENTS:

Hinduja Energy (India) Limited (HEIL):

India is the fifth largest producer and consumer of electricity in the world, after China, US, Russia and Japan. Power generation has grown more than 100 fold since independence, while demand growth has been even higher due to accelerated economic activity. The total installed capacity in the country crossed 270 GW, out of which over 69% is thermal power generation capacity. Private sector contributes over 35% of this capacity while rest belongs to central as well as state utilities. Emphasis is being given by the new Government on assured fuel availability and incentives are being given for renewable energy sector.

Hinduja National Power Corporation Limited's (a Subsidiary of HEIL) Greenfield 1040 MW Thermal Power Project in Visakhapatnam is expected to get commissioned in FY 2015-16 thus creating value for its investors from this year onwards.

SUBSIDIARIES:

Media:

Grant Investrade Limited (GIL):

GIL has embarked on a project for setting up infrastructure to provide services under the Headend-in-the-Sky (HITS) platform to the Cable TV industry. The Company has now got all its approvals from the Government of India, which includes mainly from Ministry of Information & Broadcasting (MIB) and Department of Telecommunications (DoT) for the HITS platform.

The brand name of the "Headend-in-the-Sky" (HITS) services to be provided by GIL is '**NXT Digital**'.

HITS is a satellite multiplex service that provides cable channels to cable television operations. The

HITS service effectively replaces the more complex traditional headend (A headend is a local operations center that receives, process and retransmits TV channels and other services) operations. At a traditional cable television headend, multitudes of satellite dishes and antennae are used to grab cable stations from dozens of communication satellites. In contrast, HITS combines cable stations (or TV channels) into multiplex signals on one or a few satellites. Cable networks can then pull in hundreds of channels at the local headend with relatively little equipment for onward digital distribution to subscriber homes.

HITS as a concept was developed to deliver signals to small cable headends that did not find it viable to install their own Conditional Access Systems (CAS) and centralized services like SMS and billing.

At the same time, the HITS platform delivers a huge number of pay television channels. This provides the HITS end consumer the largest possible choice of pay channels. This exactly is the need of the cable operators in the smaller towns constituting the Phase III & IV locations for the digitalisation program. GIL believes that the entire expansion in the Phase III & IV cities for digitalisation can best be addressed through the HITS technology owing to the superior technology, cost effectiveness as compared to the traditional methods of transmitting signals through fibre, low investment in capital equipment by the cable operators and at the same time world class quality of service is ensured for the consumers.

The total size of Phase III & IV market is approximately 100 million homes of which GIL expects to cover atleast 10 million in the next two years, especially in Phase III.

IndusInd Media & Communications Limited (IMCL):

As per a recent KPMG report, "digitalisation has changed the role of MSOs from being a B2B service provider to a B2C service provider and it is taking time for MSOs to build internal processes to reflect this change in business model." In line with the above trend, after having successfully implemented digitalisation in Phase I & II cities during the financial years 2012-13, 2013-14 and in the fiscal year 2014-15, IMCL's focus is on providing better consumer service and simultaneously bring in efficiency in operations.

The Company has achieved this by taking various steps like packaging of channels so that consumer get to choose and pay for what they view; providing the consumer with the option of making payments either through pre-paid or post