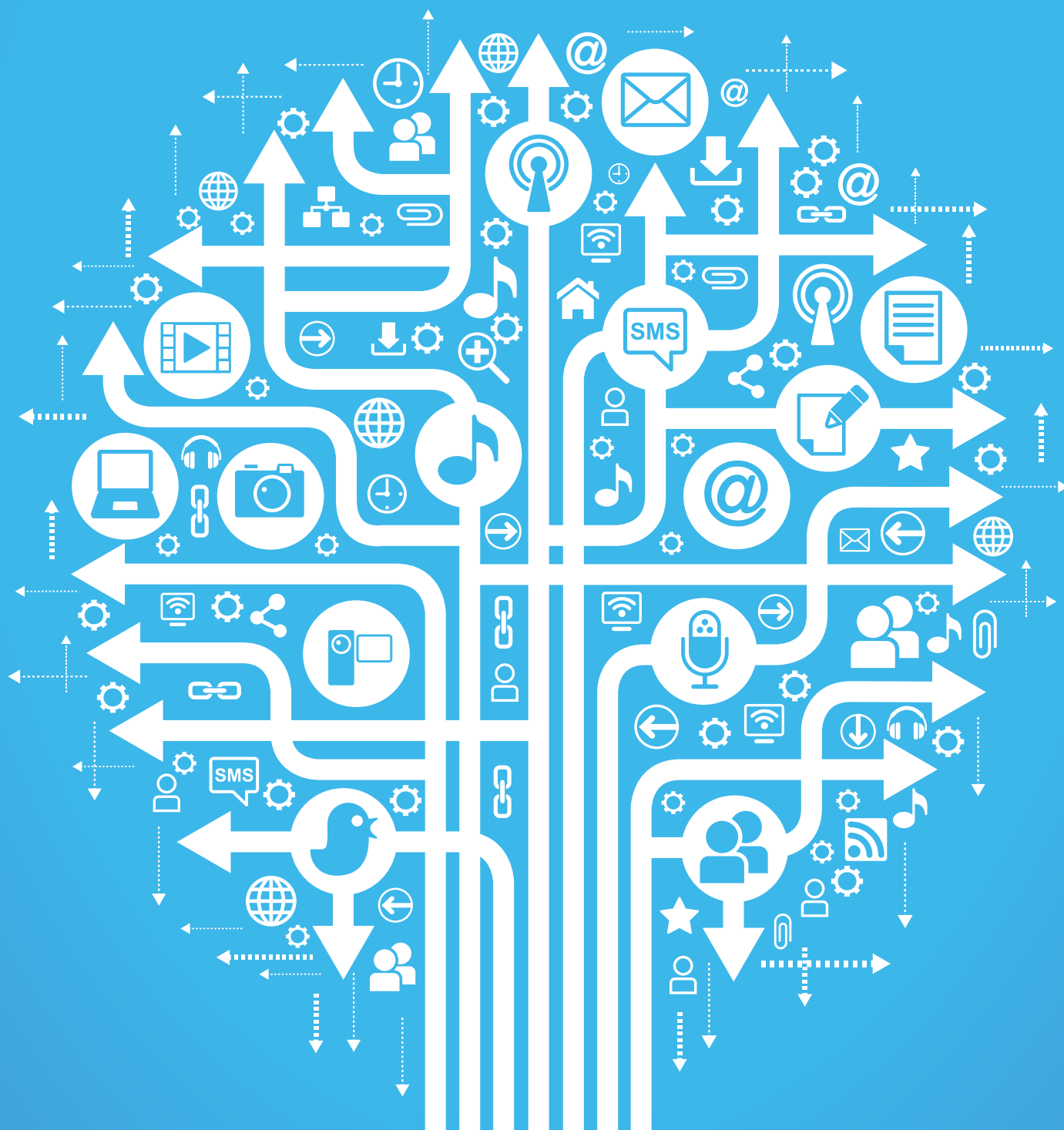




Incubating the Future



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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 2015-16 has been a year of consolidation for the Indian economy. The economy has had its share of hiccups with a weak monsoon, rising Non-Performing Assets (NPAs) of banks and other short term factors. Despite these short term problems, the inherent strength in the economy will ensure that in the long term there is a huge sustainable growth potential. As per estimates by the Asian Development Bank (ADB), growth is expected to pick up a bit to 7.80% in the financial year 2016-17, helped by the Government's strengthening of public sector bank's capital and operations, private investment benefiting from corporate deleveraging, the financing of stalled projects, and an uptick in bank credit.

The confidence in the growth potential of the Indian economy is very strong and it is this factor which influences our decision on investment in the various sectors your Company is engaged in.

Digital India Programme was launched by the Prime Minister of India, Shri Narendra Modi on 2nd July 2015 with an objective of connecting rural areas with high-speed Internet networks and improving digital literacy. The vision of Digital India Programme is inclusive growth in areas of electronic services, products, manufacturing and job opportunities etc. and it is centered on three key areas – Digital Infrastructure as a Utility to Every Citizen, Governance and Services on Demand and Digital Empowerment of Citizens.

On a Standalone basis, the total income of the Company for the financial year 2015-16 at ₹ 332.48 Crores was higher by 201% over last year (₹ 110.45 Crores in 2014-15). On a Consolidated basis, the total income for the financial year 2015-16 at ₹ 679.98 Crores was lower by 13.50% over last year (₹ 786.11 Crores in 2014-15).

Overview and Sectorial Performance of Company's Investments

Media

Technology disruption is a factor which will influence the media sector significantly in the next decade. Nimble organizations which keep themselves abreast to newer technologies and adapt to newer technologies are more likely to grow exponentially in the coming years. Media and Entertainment Industry in India is estimated at ₹ 1.15 Lakhs Crores, which will grow to ₹ 2.26 Lakhs Crores by 2020, growing at a rate of 14.30% Compound Annual Growth Rate (CAGR). Television continues to remain the largest component of the size of the media industry, constituting almost 50% of the size. It is expected to continue maintaining this proportion, growing at a CAGR of 15.10% by 2020. Your Company, through its subsidiaries IndusInd Media & Communications Limited addressing the Cable TV business and Grant Investrade Limited addressing the distribution of TV signals through the Headend-in-the-Sky (HITS) platform addresses directly the growing TV industry and is therefore positioned rightly to participate in this growth.

IndusInd Media & Communications Limited (IMCL)

During the year, IMCL focused on continued strengthening of its backend processes, improving consumer viewership experience and simultaneously expanding in the Phase III digitalization programme of the Government of India. The consolidation process has significantly improved the technology backbone for delivery of signals through the cable network, the subscriber management system and the collection processes. With respect to Phase III expansion, while the initial push resulted in Set Top Boxes being seeded in the market as per plan, the multiple court cases filed by different cable operators seeking a stay, in Phase III digitalization have delayed the expansion process. The Supreme Court has transferred all pending cases to Delhi High Court. With hearing

scheduled in September 2016, an early solution to the roadblocks is possible. The benefits of this expansion are therefore expected to accrue over a longer period as compared to what was earlier anticipated.

Grant Investrade Limited (GIL)

The Headend-in-the-Sky (HITS) project of Grant Investrade Limited (GIL), a wholly owned subsidiary of the Company under the brand name “NXT Digital” was formally launched by Shri Arun Jaitely, Minister of Information and Broadcasting, Government of India in September 2015. At the launch Shri. Arun Jaitely said “multiple carriage technologies will provide customers a choice”.

All the application development for the NXT Digital platform has been designed and built fully in India.

GIL has successfully set up the Earth Station and other infrastructure required for launch of the HITS operations ensuring that world class quality of service is ensured for the consumers. The Economic Survey report for 2016 has stated that HITS has a major role to play in ensuring hundred percent digitalization in the country.

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 Subscriber Management System (SMS) and billing.

While Grant was on schedule to launch the HITS platform as per the timelines prescribed by the Government of India for Phase III of the digitalization programme, multiple court cases filed by cable operators has somewhat delayed the whole process of digitalization. This has a direct bearing on the GIL’s operations since the success of the HITS platform depends entirely on a successful implementation of digitalization by the Government of India.

Hinduja Energy (India) Limited (HEIL)

Your Company remains invested in the power sector through its stake of 15.57% for ₹ 187.10 Crores in HEIL- holding company of Power Assets of Hinduja Group. This translates in to 8.59% effective holding in the SPV- Hinduja National Power Corporation Limited.

Hinduja National Power Corporation Limited (HNPCL), a subsidiary of HEIL recently commissioned a 1,040 MW Greenfield Power Project at Palavalasa Village in Visakhapatnam District of Andhra Pradesh. The project has 2 x 520 MW coal-based thermal power generation units with technology offered by EPC contractor Bharat Heavy Electricals Limited (BHEL). HNPCL has recently commenced commercial operations thereby fully mitigating the construction risks. The operating risks have been mitigated by entering into an O & M Agreement with Steag O & M Company Limited, a subsidiary of a German power major, Steag Energy Services GmbH. HNPCL has entered into a long term power purchase agreement with AP Discoms for sale of 100% of energy generated by the power station with an assured return on cost plus basis in accordance with the guidelines issued by the Andhra Pradesh state regulator. HNPCL also has the benefit of pass through of fuel cost. This will enhance the value of your Company’s stake significantly.

Corporate Social Responsibility

Primary Healthcare Centers

Your Company is continuously associated with Hinduja Foundation for providing access to basic healthcare facilities to poor and underprivileged people. In order to achieve this objective, your Company has been generously funding Hinduja Foundation for its Primary Healthcare Project which commenced in June, 2015 for Up-gradation of Primary Health Centers and Sub-Centers in Jawahar Taluka, Palghar District, Maharashtra. This envisages the Company’s continuous efforts to serve the society especially the underprivileged sections of the society.

Way forward

Your Company's subsidiaries in the media sector believe that going forward, the challenges of digitalization can best be addressed by consolidating delivery platform catering to both the end consumers and more importantly the cable operators. This will lead to content consolidation, offering of value added services over a wider base of customers and take advantage of economies of scale.

In line with this thought, the Boards of both IMCL and GIL have debated and evaluated in detail the benefits of both the Community Antenna Television (CATV) business of IMCL and the HITS business of GIL operating as a single entity. Considering the long term benefits like rationalization of costs, improving revenue per subscriber and achieving operational efficiencies thereby enhancing shareholder value, the Boards of respective subsidiaries have recommended that, subject to the regulatory and other approvals, the HITS business of GIL be demerged into IMCL. The demerger will create a unique, one of a kind Digital Distribution Platform that will provide digital TV on multiple devices - home TV set, tablets, desktops, and hand phones. I believe that this is a step in the right direction and will help in more efficient of resources, improve productivity and synergize the strength of both the platforms (digital television distribution and cable).

Your Company through IMCL expects to help the cable digitization required to cover Phase III and Phase IV markets of over 7,000 towns and another over 6,00,000 villages. As a single integrated company, IMCL is expected to be in a position to fulfill the needs of local cable operators (as B2B) and provide high quality digital services (B2C) to end customers. It will be after mergers are in place uniquely in a position to offer digital services through satellite and conventional headends. As per estimates the total homes to be digitized across the country is around 160 million. Phase I and II of the digitization is almost complete and IMCL caters to around 3 million digital subscribers in these areas. In addition, IMCL has analogue subscribers in the Phase III and IV markets. With digitization program having been announced for these markets, IMCL is expected to cover minimum 7 million digital subscribers out of an estimated market size of 120 million homes.

Following the arrangement of demerger of HITS business undertaking of GIL in to IMCL, your Company looks forward to a higher valuation for the Company consequent on expedited breakeven and better financial performance of the media subsidiary.

Also, your Company will keep evaluating various business opportunities towards increasing stakeholder's value.

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, Employees and all other Stakeholders 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

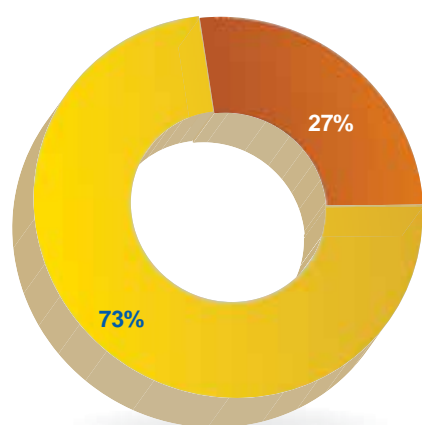
Date: August 16, 2016.

Financial Highlights

(Consolidated)

| For the year | 2016 ₹ Crores | 2015 ₹ Crores | 2014 ₹ Crores | 2013 ₹ Crores | 2012 ₹ Crores |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Operating Income | 670.81 | 754.88 | 766.60 | 696.88 | 538.49 |
| Total Income | 679.98 | 786.11 | 773.49 | 701.96 | 563.05 |
| Total Expenditure | 687.74 | 732.05 | 749.68 | 519.96 | 357.85 |
| Profit After Minority Interest | (81.21) | 18.26 | 0.20 | 80.22 | 100.46 |
| Share Capital | 20.56 | 20.56 | 20.56 | 20.56 | 20.56 |
| Reserve & Surplus | 639.46 | 742.84 | 762.41 | 798.28 | 713.83 |
| Net worth | 660.02 | 763.40 | 782.97 | 818.84 | 734.39 |
| Loan Funds | 1,163.96 | 893.43 | 844.17 | 787.18 | 127.77 |
| Net Fixed Assets | 961.98 | 642.67 | 641.81 | 651.87 | 304.56 |
| Investments | 524.93 | 271.17 | 305.29 | 320.19 | 225.96 |
| Earnings per Share (₹) | (39.51) | 8.88 | 0.10 | 39.02 | 48.87 |
| Dividend (%) | 175% | 150% | 150% | 150% | 150% |
| Dividend Amount | 35.97 | 30.83 | 30.84 | 30.84 | 30.83 |
| Book value per Share | 321 | 371 | 381 | 398 | 357 |

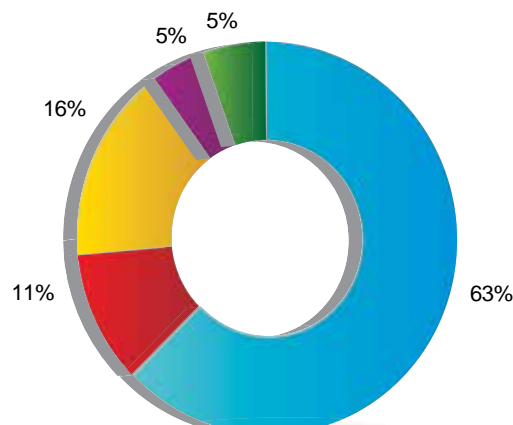
Rupee Earned (Consolidated)



Rupee Earned (Consolidated)

- Treasury
- Media & Telecommunications

Rupee Spend (Consolidated)



Rupee Spend (Consolidated)

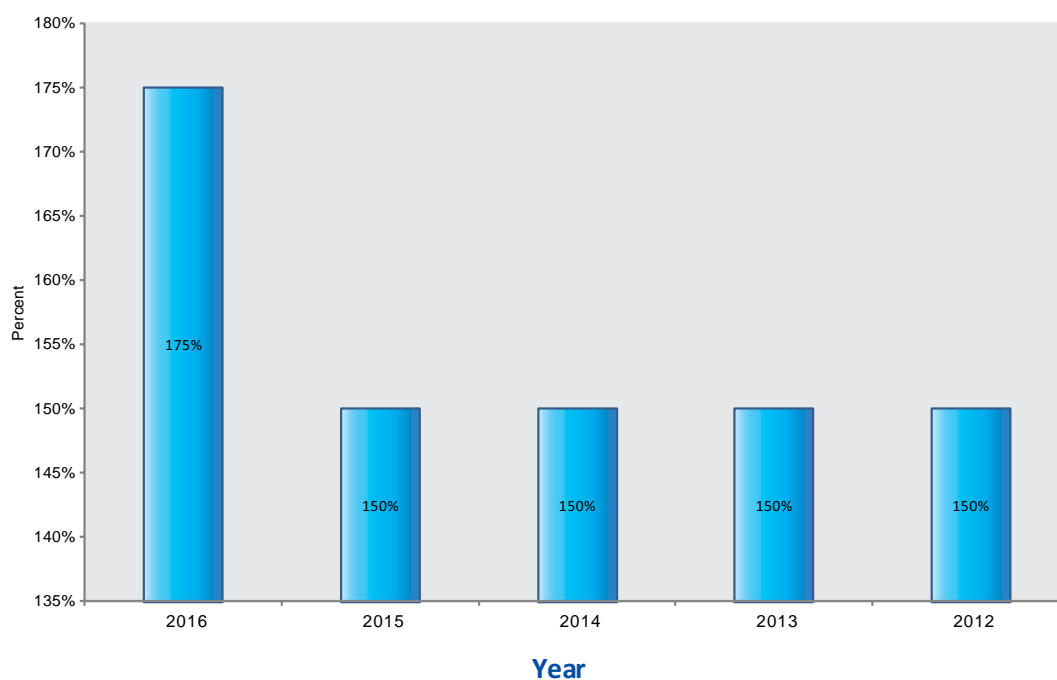
- Total Expenditure
- Depreciation
- Interest & Other Finance Charges
- Tax (Including Deferred Tax)
- Dividend & Dividend Tax

Financial Highlights

(Standalone)

| For the year | 2016 ₹ Crores | 2015 ₹ Crores | 2014 ₹ Crores | 2013 ₹ Crores | 2012 ₹ Crores |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|
| Total Income | 332.49 | 110.45 | 106.54 | 94.52 | 90.11 |
| Total Expenditure | 207.05 | 15.67 | 16.50 | 8.51 | 13.87 |
| PBIDTA | 163.83 | 94.78 | 90.04 | 86.01 | 76.24 |
| Profit after Tax | 100.59 | 92.59 | 82.03 | 76.75 | 65.02 |
| As at the end of the year | | | | | |
| Share Capital | 20.56 | 20.56 | 20.56 | 20.56 | 20.56 |
| Reserve and Surplus | 905.00 | 796.34 | 740.75 | 694.79 | 654.12 |
| Networth | 925.56 | 816.90 | 761.31 | 715.35 | 674.68 |
| Net Fixed assets | 12.91 | 14.05 | 14.30 | 16.56 | 19.01 |
| Investments | 613.79 | 629.12 | 563.25 | 189.02 | 256.91 |
| Earnings per Share (₹) | 48.94 | 45.05 | 39.91 | 37.34 | 31.63 |
| Dividend (%) | 175% | 150% | 150% | 150% | 150% |
| Dividend Amount | 35.97 | 30.83 | 30.83 | 30.83 | 30.83 |
| Book Value per Share (₹) | 450 | 397 | 370 | 348 | 328 |

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
(up to the conclusion of AGM held on September 23, 2015)
Mr. Anil Harish
Mr. Rajendra P. Chitale
Mr. Prakash Shah (up to April 24, 2015)
Mr. Prashant Asher
Ms. Bhumika Batra
Mr. Sudhanshu Tripathi (w.e.f August 4, 2015)
Mr. Anthony D'Silva (w.e.f. September 23, 2015)
Mr. Ashok Mansukhani, Whole-Time Director

Committee of the Board

Audit Committee

Mr. Anil Harish, Chairman
Mr. Rajendra P. Chitale
Mr. Prakash Shah (up to April 24, 2015)
Mr. Ramkrishan P. Hinduja (up to September 23, 2015)
Mr. Sudhanshu Tripathi (w.e.f. August 4, 2015)

Nomination and Remuneration Committee

Mr. Anil Harish, Chairman
Mr. Rajendra P. Chitale
Mr. Prashant Asher

Stakeholders Relationship Committee

Ms. Bhumika Batra, Chairperson (w.e.f April 24, 2015)
Mr. Prakash Shah (up to April 24, 2015)
Mr. Ramkrishan P. Hinduja (up to September 23, 2015)
Mr. Prashant Asher
Mr. Ashok Mansukhani (w.e.f. September 23, 2015)

Corporate Social Responsibility Committee

Mr. Anil Harish, Chairman (w.e.f. April 24, 2015)
Mr. Prakash Shah (up to April 24, 2015)
Mr. Prashant Asher
Mr. Ashok Mansukhani

Company Secretary

Mr. Hasmukh Shah

Internal Audit

Mr. Mihir Parab

Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants

Solicitors and Advocates

Crawford Bayley & Co.

Bankers

Yes Bank Limited
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 and Share Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District,
Hyderabad - 500 032.
Tel: (91 040) 67162222/ 67161525

Board's Report

To the Members,

Your Directors have pleasure in presenting the Thirty First Annual Report and Company's Audited Financial Statements for the financial year ended March 31, 2016.

FINANCIAL HIGHLIGHTS:

| | (₹ in Crores) | | | |
|--|---------------|---------|------------|--------|
| | Consolidated | | Standalone | |
| For the year ended March 31 | 2016 | 2015 | 2016 | 2015 |
| Total Income | 679.98 | 786.11 | 332.48 | 110.45 |
| Total Expenses | 776.26 | 816.23 | 208.37 | 17.13 |
| (Loss) / Profit before tax | (96.28) | (30.12) | 124.11 | 93.32 |
| Exceptional/Extraordinary Income/(Expense) (Net) | 43.69 | (6.20) | - | - |
| (Loss) / Profit before tax | (52.59) | (36.32) | 124.11 | 93.32 |
| Provision for tax (incl. deferred tax) | 37.60 | 27.47 | 23.52 | 0.73 |
| (Loss) / Profit after tax | (90.19) | (63.79) | 100.59 | 92.59 |
| Minority Interest | (8.98) | (82.05) | - | - |
| (Loss)/ Profit after Minority Interest | (81.21) | 18.26 | 100.59 | 92.59 |

REVIEW OF OPERATIONS AND STATE OF AFFAIRS:

On a Consolidated basis, the total income for the financial year 2015-16 at ₹ 679.98 Crores was lower by 13.50% over last year (₹ 786.11 Crores in 2014-15). Earning before interest, tax, depreciation, amortization (EBITDA) and exceptional income / (expense) was ₹ 125.79 Crores over EBITDA and exceptional income / (expense) of ₹ 146.75 Crores in 2014-15. Net loss after tax and minority interest increased to ₹ 81.21 Crores from profit of ₹ 18.26 Crores during 2014-15.

On a Standalone basis, the total income for the financial year 2015-16 at ₹ 332.48 Crores was higher by 201% over last year (₹ 110.45 Crores in 2014-15). The increase in total income was due to sale of set top boxes. Earning before interest, tax, depreciation and amortization (EBITDA) was ₹ 163.82 Crores registering a growth of 72.84% over EBITDA of ₹ 94.78 Crores in 2014-15. Profit after tax (PAT) increased by 8.64% to ₹ 100.59 Crores over PAT of ₹ 92.59 Crores in 2014-15.

DIVIDEND:

The Board of Directors on March 14, 2016, declared an interim dividend of ₹ 17.50 (i.e. 175%) on each fully paid up Equity Share of ₹ 10/- each for financial year 2015-16 which was paid to Members whose names appeared on the Register of Members of the Company on March 29, 2016. Your Directors have recommended interim dividend as the final dividend for the financial year 2015-16. The interim dividend involved a cash outflow of ₹ 43.30 Crores including

dividend distribution tax, representing 43.04% of the current year earnings.

TRANSFER TO RESERVES:

Your Company does not propose to transfer amounts to the general reserves out of the amount available for appropriation and an amount of ₹ 57.29 Crores is proposed to be retained in the profit and loss account.

REVIEW OF INDIAN ECONOMY:

The year 2015-16 was a year of consolidation and ensuring implementation of various growth oriented policies introduced by the Government. This was also the year where the Government's key objective was to ensure macro - economic stability. The economy saw its fair share of turbulence during this period with factors such as a weak monsoon, rising Non-Performing Asset (NPAs) of banks and other short term factors.

During the year, inflation continued to increase moderately. Government forecast estimates point to the economy growing at 7.60% in financial year 2015-16.

Despite short term hiccups, India's economy is on track to be one of the fastest growing economies in Asia. Resilient domestic demand and a limited reliance on the external sector are expected to fuel a pickup in growth in the next fiscal year. While public investment and urban consumption were the major drivers of growth in the financial year 2015-16, a revival of private investment and rural consumption is critical if growth is to remain strong in the financial year