



Sowing seeds of digital future



Contents

OVERVIEW

- 02 Chairman's Message
- 04 Financial Highlights
- 06 General Information

REPORTS

- 07 Board's Report
- 17 Corporate Governance Report
- 33 Management Discussion and Analysis Report

FINANCIAL STATEMENTS

- 59 Standalone
- 100 Consolidated

IMCL GEOGRAPHICAL SPREAD



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

CHAIRMAN'S MESSAGE



Dear Shareholders,

It gives me immense pleasure to communicate with you, our esteemed shareholder family, about the performance of your company for the year and our journey going forward.

The calendar year 2017 was a great year for Indian Economy as it not only witnessed the lowest retail inflation but also the strengthening of the Rupee against the US Dollar. Also, India's bond rating was upgraded by the Moody's from Baa3 to Baa2 thereby changing the outlook from stable to positive.

The year 2017 saw India recover from demonetization only to face the new challenges and opportunities provided by implementation of Goods and Service Tax (GST). Hence, because of lingering effects of demonetization and implementation of GST, the growth in the first half suffered, however, the economy did recover thereafter in the second and the third quarter to a growth rate of 6.50% and 7.20% respectively. The economy is expected to further strengthen in the financial year 2018-2019.

Your Company has been facing challenges in the business environment and has continued to grow over the years. During the year, the total consolidated income of the Company increased to ₹ 868.97 Crores against ₹ 826 Crores during the previous year 2016-2017 and the standalone income of the Company was at ₹ 225.10 Crores as against ₹ 203.39 Crores during the previous year 2016-2017. Your Company continues to have a strong net-worth, which as on March 31, 2018 was ₹ 1073.86 Crores.

As a significant part of your Company's investments are in the media sector, I would like to give you my thoughts on the opportunity in the sector and how your Company intends growing in this segment and create value.

The growth registered by the Indian economy is also reflected in the Media & Entertainment (M&E) Sector. In 2017, the Indian M&E Sector reached INR 1.5 trillion, witnessing a growth of almost 13%, over 2016. As per the FICCI-EY, Report the sector is expected to cross INR 2 trillion by 2020 at a Compound Annual Growth Rate (CAGR) of 11.60%.

During the year 2017-2018, the NXT Digital and InDigital - distribution platforms of your Company's subsidiary IndusInd Media and Communications Limited ("IMCL"), have taken big strides not only in terms of the subscriber base but also in terms of its subscription revenue. While the subscription revenue increased by 31%, there was an increase in the subscriber base by 25%. IMCL along with its subsidiary companies have an active subscriber base of 4.6 million.

NXT Digital, the only Satellite and Fibre Hybrid digital platform in India, covers all the 29 states and 5 union territories and is available in 47 of the 99 smart cities and is active in 56 of the 100 top cities as per latest population estimates. IMCL has supported whole heartedly both in spirit and form the three thrust areas of the Government of India – "Digital India" through active digitization of the cable network on a PAN India basis, "Make in India" through designing Cable Operators Premises Equipment (COPE), encouraging assembly/manufacture of Set Top Boxes in India and "Skills India" through training of Local Cable Operators in running and expanding digital networks.

This makes IMCL a truly pan Indian high-quality digital delivery platform providing Digital signals through fibre/cable to customer homes. IMCL overall is also available now in over 50% of the large and smart cities. IMCL continues to make inroads into the rural areas of India through its Headend-in-the-Sky (HITS) NXT Digital platform. While growing its network, IMCL has ensured that the Local Cable Operators who through the dint of their hard work over the last 20-30 years have created a vast network and now continue to own their network and are enabled through our technology to provide better service to their customers.

CHAIRMAN'S MESSAGE

The focus in 2019 will not only be to continue to expand in rural India but also to be active in almost all the top 100 cities and 99 smart cities with a bouquet of video and Value Added Service offerings. The Company is positive that there is scope for deployment for the Digital Platform Operators (DPO) to an additional 30 million homes in the rural universe of 99 million homes. Another 20 million homes await power to households and will begin to watch television in next 3 years. IMCL is in the right technology and markets for expanding and adding value from this available base.

The new Digital Tariff Order of Telecom Regulatory Authority of India, once implemented from 2019, will help strike a balance for customer pay-out and the stakeholder's fair share. Hence, from financial year 2019-2020 onwards, a new and equitable business model will be worked out and will help significantly increase the profit margins for Digital Platform Operators and ensure a continuous positive EBIDTA in years to come.

In view of the positive developments in the media sector your Company is looking positively to capitalize the subsidiary further to fund its expansion plans.

During the year under review, your Company underwent a major restructuring exercise with the amalgamation of Grant Investrade Limited, a wholly owned subsidiary of the Company with the Company.

Corporate Social Responsibility

During the financial year 2016-2017, the company as part of its CSR initiative made a contribution of ₹ 60 Lakhs towards Hinduja Foundation's Rural Development Project in Jawahar Taluka, Maharashtra for implementing a project on livelihood, sanitation and providing drinking water.

Under the Rural Development Project of Hinduja Foundation, the livelihood of the project participants was enhanced through improved agricultural practice, need based training and by facilitating wadi tree-based farming. Various water resource management techniques were also undertaken for ensuring easy accessibility of drinking water. The self-help group of women were given relevant training towards the women empowerment and were introduced to the concept of savings and credit.

For the financial year 2017-2018, your company has further contributed ₹ 1 Crore to Hinduja Foundation towards its Rural Development Project in Jawahar Taluka, Palghar District, Maharashtra and will therefore continue its endeavor to *inter alia* provide livelihood, sanitation and drinking water.

Way Forward

Increasing long term shareholder value continues to be a prime objective and your Company will keep evaluating assorted opportunities to invest and grow.

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
Chairman

Date: August 03, 2018

Financial Highlights

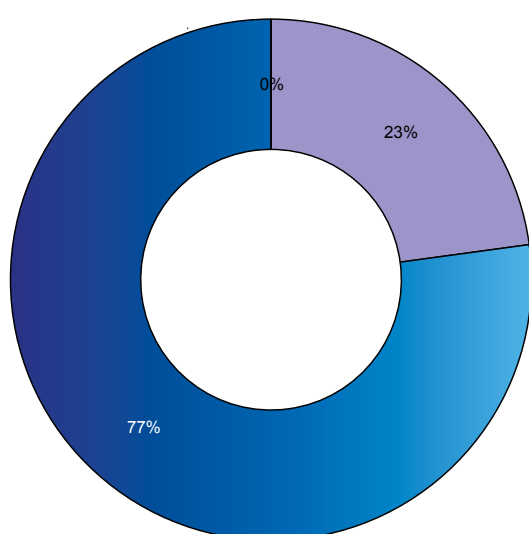
Consolidated

[Amount ₹ in Crores]

For the year	2018	2017	2016	2015	2014
Operating Income	844.76	784.91	670.81	754.88	766.60
Total Income	868.97	826.00	679.98	786.11	773.49
Total Expenditure	949.18	888.32	687.74	732.05	749.68
Profit After Minority Interest	(244.51)	(56.61)	(81.21)	18.26	0.20
As at the end of the year					
Share Capital	20.56	20.56	20.56	20.56	20.56
Reserve and Surplus	158.19	429.08	639.46	742.84	762.41
Net Worth	178.75	449.64	660.02	763.40	782.97
Loan Funds	1,038.90	899.19	1,163.96	893.43	844.17
Net Fixed Assets	860.89	868.22	961.98	642.67	641.81
Investments	391.15	351.00	524.93	271.17	305.29
Earnings per Share (₹)	(118.95)	(27.54)	(39.51)	8.88	0.10
Dividend (%) #	175%	175%	175%	150%	150%
Dividend Amount #	35.97	35.97	35.97	30.83	30.84
Book value per Share (₹)	87	219	321	371	381

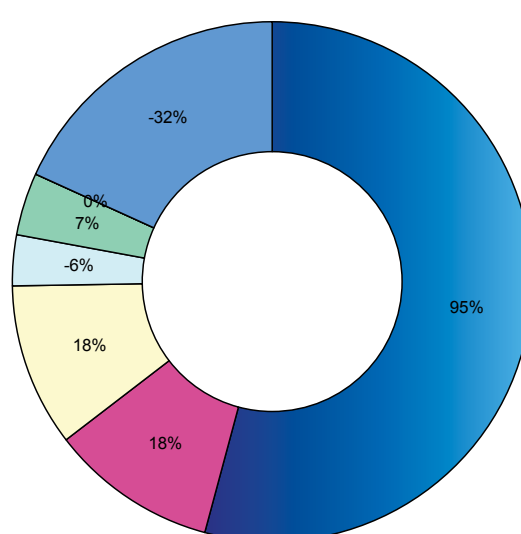
Subject to approval by the shareholders in the ensuing Annual General Meeting of the Company

Rupee Earned (Consolidated)



- Treasury
- Media & Telecommunications
- Others

Rupee Spend (Consolidated)



- Total Expenditure
- Depreciation
- Interest & Other Finance Charges
- Minority Interest / Share in Associates
- Tax (including deferred tax)
- Dividend & Dividend tax
- Residual Deficits

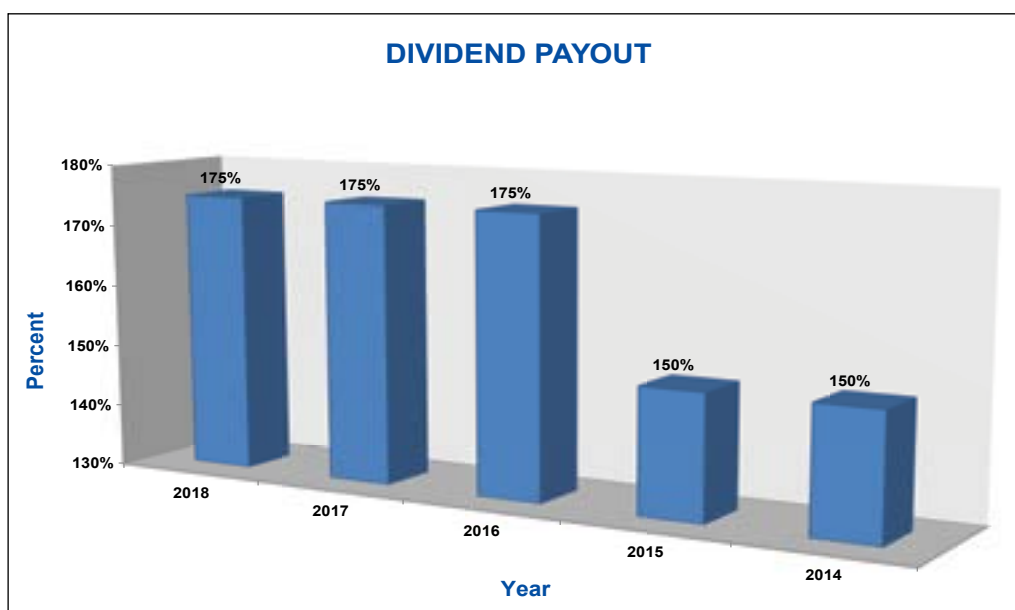
Financial Highlights

Standalone

[Amount ₹ in Crores]

For the year	2018	2017	2016	2015	2014
Total Income	225.10	203.39	332.49	110.45	106.54
Total Expenditure	62.38	73.85	207.05	15.67	16.50
PBIDTA	208.42	175.46	163.83	94.78	90.04
Profit After Tax	104.11	102.91	100.59	92.59	82.03
As at the end of the year					
Share Capital	20.56	20.56	20.56	20.56	20.56
Reserve and Surplus	1,053.31	1,007.79	905.00	796.34	740.75
Net Worth	1,073.87	1,028.35	925.56	816.90	761.31
Net Fixed Assets	237.39	11.73	12.91	14.05	14.30
Investments	1,009.36	434.00	613.79	629.12	563.25
Earnings per Share (₹)	50.65	50.06	48.94	45.05	39.91
Dividend (%) #	175%	175%	175%	150%	150%
Dividend Amount #	35.97	35.97	35.97	30.83	30.83
Book value per Share (₹)	522	500	450	397	370

Subject to approval by the shareholders in the ensuing Annual General Meeting of the Company



General Information

HINDUJA VENTURES LIMITED

CIN NO: L51900MH1985PLC036896

Board of Directors

Mr. Ashok P. Hinduja : Chairman
Mr. Anil Harish : Independent Director
Mr. Rajendra P. Chitale : Independent Director
Mr. Prashant Asher : Independent Director
Ms. Bhumika Batra : Independent Director
Mr. Sudhanshu Tripathi : Non-Executive Director
Mr. Ashok Mansukhani : Whole-Time Director*

Committee of the Board

Audit Committee

Mr. Anil Harish, Chairman
Mr. Rajendra P. Chitale
Mr. Sudhanshu Tripathi

Nomination and Remuneration Committee

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

Stakeholders Relationship Committee

Ms. Bhumika Batra, Chairperson
Mr. Prashant Asher
Mr. Ashok Mansukhani

Corporate Social Responsibility Committee

Mr. Anil Harish, Chairman
Mr. Prashant Asher
Mr. Ashok Mansukhani

Company Secretary

Mr. Has Mukh Shah

Internal Auditor

Mr. Mihir Parab

Statutory 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

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

*Mr. Ashok Mansukhani was appointed as Managing Director of the Company w.e.f. April 30, 2018.

Board's Report

To the Members,

Your Directors have pleasure in presenting the Thirty Third Annual Report and Company's Audited Financial Statements for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

	(₹ in Crores)			
	Standalone		Consolidated	
For the year ended March 31	2018	2017	2018	2017
Total Income	225.10	203.39	868.97	826.00
Total Expenses	66.77	75.05	1102.63	1012.36
(Loss) / Profit before tax	158.33	128.34	(233.66)	(186.36)
Provision for tax (incl. deferred tax)	54.22	25.43	57.45	17.55
(Loss) / Profit after tax	104.11	102.91	(291.11)	(203.91)
Minority Interest	-	-	(46.60)	(147.30)
(Loss) / Profit after Minority Interest	104.11	102.91	(244.51)	(56.61)

REVIEW OF OPERATIONS AND STATE OF AFFAIRS

The financial results are drawn after giving effect to the Scheme of Amalgamation of Grant Investrade Limited ("GIL"), a wholly owned subsidiary of the Company into the Company (the "Scheme") w.e.f October 01, 2017, being the appointed date. The aforesaid Scheme was approved by the Hon'ble National Company Law Tribunal on May 10, 2018 and the Scheme became effective w.e.f July 2, 2018.

On a Standalone basis, the total income for the financial year 2017-18 at ₹225.10 Crores was higher by 10.67% compared to last year (₹203.39 Crores in 2016-17). The total income of last year includes ₹13.65 Crores from high seas sale of Set Top Boxes. Earnings before interest, tax, depreciation and amortization (EBITDA) were ₹208.42 Crores registering a growth of 18.78% over EBITDA of ₹175.46 Crores in 2016-17. Profit after tax (PAT) increased by 1.17% to ₹104.11 Crores over PAT of ₹102.91 Crores in 2016-17.

On a Consolidated basis, the total income for the financial year 2017-18 at ₹868.97 Crores was higher by 5.20% over last year (₹826.00 Crores in 2016-17). Earnings before interest, tax, depreciation & amortization (EBITDA) and exceptional income / (expense) were ₹69.62 Crores as against ₹99.46 Crores in 2016-17. Net loss after tax and minority interest increased to ₹244.51 Crores from ₹56.61 Crores in 2016-17.

DIVIDEND

Your Directors are pleased to recommend for approval of the Members, a dividend of ₹17.50 per equity share (previous year ₹ 17.50 per equity share) i.e. 175% of the face value of ₹10/- each for

the financial year ended March 31, 2018. Dividend, as recommended, if approved by the Members, would involve a total cash outflow of ₹43.37 Crores including dividend distribution tax representing approximately 42% of the current year earnings.

REVIEW OF INDIAN ECONOMY

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years backed by its strong democratic traditions and partnerships. India's Gross Domestic Product (GDP) is estimated to have increased 6.60% in 2017-18 and is expected to grow to 7.30% in 2018-19.

In line with the thrust being provided by the Government for development in the core sectors, this year's Budget has focused on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the Budget, the Government is committed towards doubling the farmer's income by 2022. Significant budgetary allocation have been made for infrastructure and especially for the rail and road sectors. India is also focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030 which is currently 30% and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

While the economy is on the right growth path trajectory and inflation has been more or less brought under control, increase in international oil

prices and the US Government's policy on interest rates could act as spoilsports leading to decline in the value of the rupee and causing some inflationary trends.

A major business environmental change during the year under review was the implementation of Goods and Service Tax ("GST") law. While this has led to a lot of temporary disruption in the short run, it is expected that in the long run the various issues faced will be ironed out and GST will have a positive impact on the long term economy.

AMALGAMATION OF GRANT INVESTRADE LIMITED WITH THE COMPANY

The Board of Directors of the Company and Grant Investrade Limited at their respective Meetings held on January 09, 2018, had approved the Scheme of Amalgamation of Grant Investrade Limited ("GIL"), a wholly owned subsidiary of the Company into the Company (the "Scheme") pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and fixed October 01, 2017 as the appointed date for the aforesaid Scheme.

The aforesaid Scheme of Amalgamation was approved by the Hon'ble National Company Law Tribunal on May 10, 2018 and the Scheme came into effect from July 2, 2018. The entire business and whole of the undertaking of GIL stands transferred and vested in the Company effective from October 01, 2017, being the appointed date of the said Scheme.

Since the amalgamation was of the wholly owned subsidiary of the Company, neither any consideration was paid nor any shares were issued.

TREASURY & INVESTMENTS

Hinduja Leyland Finance Limited:

Your Company has always had a positive outlook towards the growth prospects of Hinduja Leyland Finance Limited ("HLFL"). Hence, during the year under review, as part of its treasury business, the Company acquired a total of 23,83,829 equity shares of ₹10/- each of HLFL at premium, by subscribing to the various right issues of HLFL, thereby making an aggregate investment of ₹24.54 Crores.

Further, the Company through a private arrangement also acquired an additional of 18,73,917 equity shares of HLFL for a total consideration of ₹20.61 Crores.

The Company holds 2,58,15,438 equity shares representing 5.66% of the paid-up capital of HLFL at an average price of ₹30.30 per share.

The Board of Directors at its meeting held on May 07, 2018, approved to offer for sale 22,82,475 equity shares of HLFL as and when HLFL goes for Public Offer at a price to be determined at the time when public offer of HLFL comes out.

IndusInd Bank Limited:

During the period April 01, 2017 till the date of this report, your company has disinvested in aggregate 18,40,000 equity shares of ₹10/- each of IndusInd Bank Limited ("IBL").

After the above disinvestment, the Company holds 68,28,196 equity shares of ₹10/- each of IBL.

IndusInd Media & Communications Limited:

During the year under review, the Headend-in-the-Sky business undertaking of Grant Investrade Limited ("GIL"), a wholly owned subsidiary of the Company was de-merged into IndusInd Media & Communications Limited ("IMCL"), a subsidiary of the Company pursuant to the order dated August 10, 2017 of the Hon'ble National Company Law Tribunal. Pursuant to the de-merger, 2,29,48,239 equity shares of IMCL were issued to the Company by IMCL on August 22, 2017 in the ratio of 338 equity shares in IMCL for every 100 equity shares held in GIL.

Further, on amalgamation of GIL into the Company, 3,09,54,503 equity shares of IMCL of ₹10/- each held by GIL as investment was transferred and vested in to the Company.

After the above restructurings, the Company in aggregate holds 9,85,61,325 equity shares of IMCL representing 73.66% of the paid-up equity share capital of IMCL.

SUBSIDIARIES

Media:

IndusInd Media & Communications Limited:

During the financial year 2017-18, NXT Digital and InDigital distribution platforms of IMCL combined has seen an upward trend in terms of its subscription revenue and subscriber base. While the subscription revenue increased by 31%, there was an increase in the subscriber base by 25%. IMCL along with its subsidiary companies have an active subscriber base of 4.6 million.

IMCL's increased focus on media communication and marketing communication activities and cable operator meets has lead the Cable Operators to recognize and acknowledge NXT Digital HITS as the most advanced, stable and operator friendly platform.