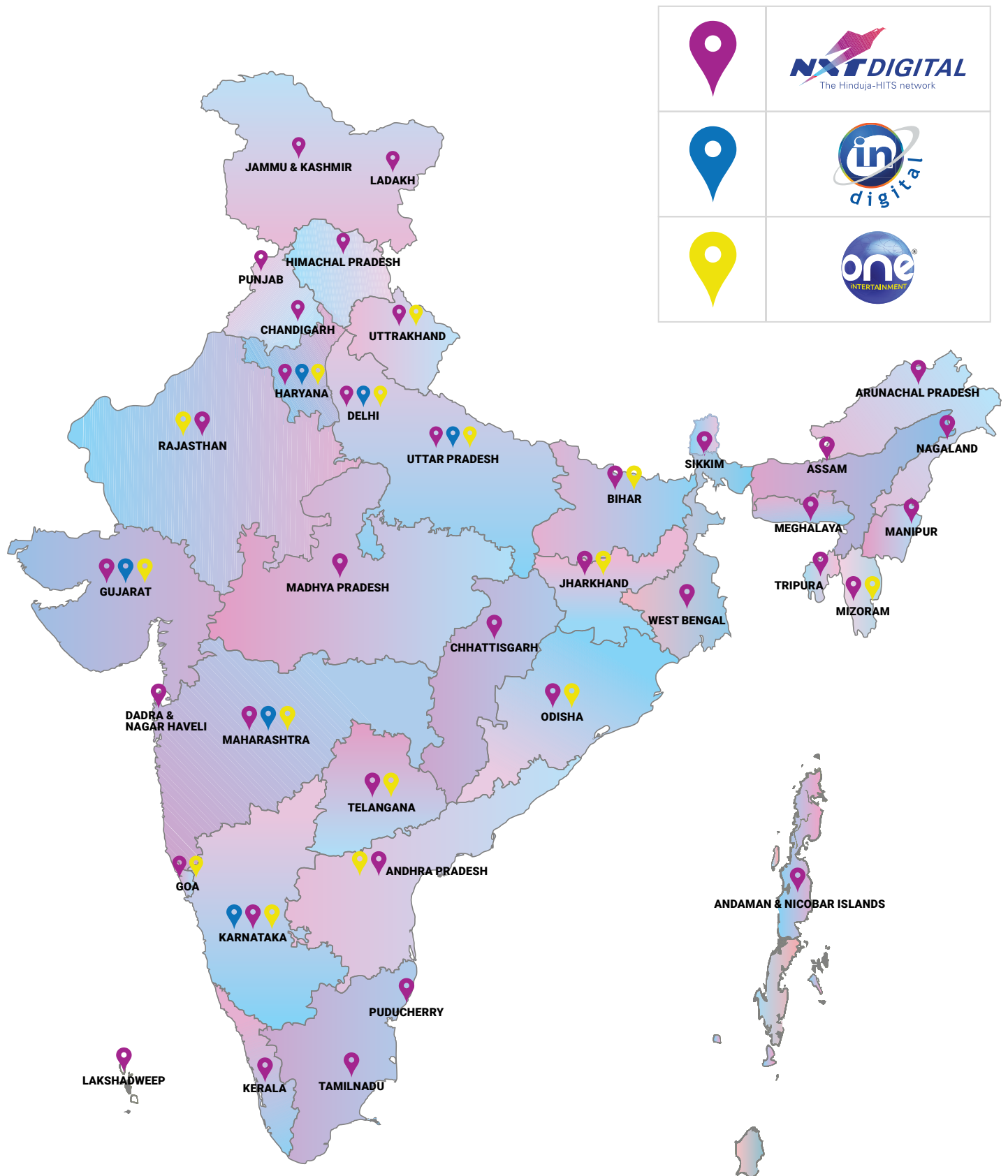




Towards digitisation and innovation

NXTDIGITAL's footprint across 1,500+ cities & towns and growing



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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
Act Local; Think Global
Advance Fearlessly
Word is a Bond
Partnership for Growth



CHAIRMAN'S MESSAGE

Dear Shareholders,

It is always a pleasure for me to communicate with you and share the progress made by your Company from time to time.

At the outset, I wish to express my hope that in the current challenging circumstances caused by the pandemic and the national lockdown, you are all keeping good health and staying safe.

The year in retrospect:

The financial year 2020, has been a year of significant ups and downs globally. India being a major global player, has not been insulated from the waves of uncertainty that the global societies and economies have had to face.

The extraordinary situation caused by the pandemic affected the global economies adversely, including India. Governments across the world have announced huge financial packages to help in reviving the economies, which have seen a significant downslide due to the lockdown situation.

Having said this, the year has been a very eventful one for your Company, which, despite the various uncertainties faced by the Indian economy and the Media & Entertainment sector, in particular, has not only weathered the storm but has grown from strength to strength.

I would like to take you through some of these highlights.

On a consolidated basis, your Company has put up a stellar performance for the year ending March 31, 2020, with revenue growth of 65% over the previous year from

Rs 704.60 crores to Rs 1162.10 crores, an Earnings before Interest, Depreciation, and Taxes (from continuing operations) of Rs 341.74 crores as against a loss of Rs 71.63 crores in the previous year and a Profit after Tax (from continuing operations) of Rs 109.68 crores as against a loss of Rs 303.85 crores in the last year.

Your Company repositioned itself as a pure Digital Media & Entertainment Company by exiting its Treasury & Investment business and laying less emphasis on the Real Estate segment.

To achieve this, your Company, along with its subsidiary IndusInd Media & Communications Limited (IMCL), filed a Scheme of Arrangement with the National Company Law Tribunal (NCLT) whereby the Cable TV and Headend In the Sky businesses of IMCL are de-merged into the Company.

The NCLT has approved the Scheme, and hence your Company has now become a significant Digital Services Provider in the listed space focussed on the Media/ Entertainment/Broadband business. This year marks the 25th anniversary of our operations in this sector.

The year saw the implementation of the New Tariff Order (NTO) issued by the Telecom Regulatory Authority of India (TRAI) and litigation challenges and the implementation arising out of it. This was a landmark regulation that positively changed the business economics for the Cable TV industry players such as your Company.

I am proud to mention that your Company took up this challenge head-on and came out successfully and was identified as one of the best implementers of this Order by the Telecom and Media Regulator and the Industry.

ONEOTT Intertainment Limited (OIL), a Company belonging to the Hinduja Group and a leading Internet Service Provider in the country, has become a subsidiary of your Company through the Scheme mentioned above.

By virtue of this, your Company has become the 6th largest internet service provider in the country in the wired category.

The sector saw some huge investments during the year, with both strategic and financial investors making significant investments in the largest players in the industry. Your Company believes that this is a positive development for all players in the sector as the sector has proved itself to be one which is poised for exponential growth.

I can assure you that your Company will take advantage of this development and will aim to grow exponentially riding on the best of cutting-edge technology, which will help the Company to create

new and profitable revenue streams.

Your Company continues to be one of the forerunners in many areas, some of which are the following:

- The only Multi-System Operator to have over 99.50 % collections on prepaid
- The only provider of services in the Cable TV industry via Satellite through the HITS technology
- Innovated compression technology enabling it to pack more channels per satellite transponder
- Present in over 1500 locations across the country
- Delivering the largest number of channels via cable and Satellite

The Future:

Expansion of the business by leveraging technology and partnerships will be a key focus of your Company. Your company believes that technology and innovation will be the key mantras for growth.

Consumers are today exposed to sophisticated technology, and Companies such as yours, which leverage on technology, are surely to be the winners of the future.

Technologies like OTT, IOT, and Artificial intelligence have started playing a significant role in the day to day lives of people, and companies such as yours are sure to satisfy customer needs through innovative solutions.

Your company has always believed in one of the key mottos of the Hinduja Group – “Partnership for growth.” Its business model has always been “Inclusive,” wherein it looks to create value to all the stakeholders in the distribution chain by taking them along with itself on the path to growth.

Since inception, we have always supported the local cable operators to grow and retain their businesses as entrepreneurs and remain long term partners with us. They all have done well.

This concept of “Partnership for growth” is being taken one step further by your company by laying focus on “Managed Services.” The potential base for “Managed Services” stands at over 69 million cable TV customers today in semi-urban, semi-rural and rural markets, where NXTDIGITAL has a growing presence.

Smaller independent and regional MSOs operate these markets. The company is partnering with them and even

with competitors by allowing them to share the distribution infrastructure of the company, particularly the satellite footprint, and deliver high-quality digital services to any part of the country through its HITS platform in the future.

NXTDIGITAL continues to focus on consolidating and growing its serviced subscriber base, expected to cross 10 million, including onboarding of more than 5 million of Managed Service customers.

Infrastructure sharing is the stated policy guideline of the Government for the media and telecommunication industry. In this respect, we are ahead of the competition in fulfilling the objectives of the Hon’ble Prime Minister, which is focused on ‘Skill India,’ ‘Make in India, and a ‘Digital India.’

Corporate Social Responsibility

Your Company is fulfilling all the necessary obligations in line with our Founder’s principle of “Work to Give” and remains fully compliant in terms of the CSR regulations. For the Financial Year 2019-2020, your company has further contributed Rs. 1.16 crores to the Hinduja Foundation for the Sustainable Rural Development Project- for rural development and education in the Jawahar Taluka in District Palghar, Maharashtra.

Conclusion.

I want to place on record my sincere appreciation of your unstinted support to the company all these years. I would also like to thank the Directors, Management, and Employees on the excellent performance registered in the past year. 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 Hinduja Group.

I would conclude by wishing you all good health.

Yours sincerely.



Ashok P. Hinduja

Chairman

September 4, 2020.

ABOUT NXTDIGITAL LIMITED

NXTDIGITAL Limited (NDL) is a Company in the Media & Communication business. It is the only Integrated Digital Delivery Platform Company in the country covering Satellite, Digital Cable and Broadband. Its services have a Pan India presence, and service India's complete socio-economic strata. It is the only Company in the Country distributing TV signals through a dual delivery platform consisting of the traditional terrestrial fibre route and the Country's only Headend in the Sky (HITS) satellite platform, under the brand names **INDigital** and **NXTDIGITAL** respectively.

The Company's Digital Cable television platform delivers over 750+ channels across 100+ cities/towns and the HITS services are available in India across 1500+ cities/towns and growing.

A true game-changer in the industry, the HITS platform

enables the Company to also function as a managed service provider to MSOs providing them with an unprecedented choice of channels at the best possible prices. With its state-of-the-art HITS facility, it is the only company that can offer direct-to-operator services to any corner of the country.

Other than Television services, it's subsidiary ONEOTT Entertainment Limited has a strong presence in Broadband and Internet services in 14 cities. It's services under the brand "ONE Broadband" provides converged services of Video, Data and Voice to consumers by delivering high-speed internet and services across multiple cities in India. ONE Broadband leverages Nokia's GPON technology to provide 2Gbps broadband and connections to home users. The backbone of the system is a common services delivery and assurance platform.

- Only Multi-System Operator in the country with a "pre-paid" base of over 99.5%
- Only dual service with a HITS platform in Asia
- Delivering maximum number of TV channels across cable & satellite
- Delivering services Pan India to over 1,500 locations > 50% districts
- Network of over 9,000 franchisees across the country

- Only platform to offer "Managed Services" to other MSOs & LCOs, Pan India
- Existing contracts for ~5.16mn customers pending execution
- No additional technology or capacity required for subscriber addition
- Will help regional and independent MSOs sustain and grow

Digital Content Delivery

HITS Platform Digital Cable

Leveraging same infrastructure

High cross-selling potential

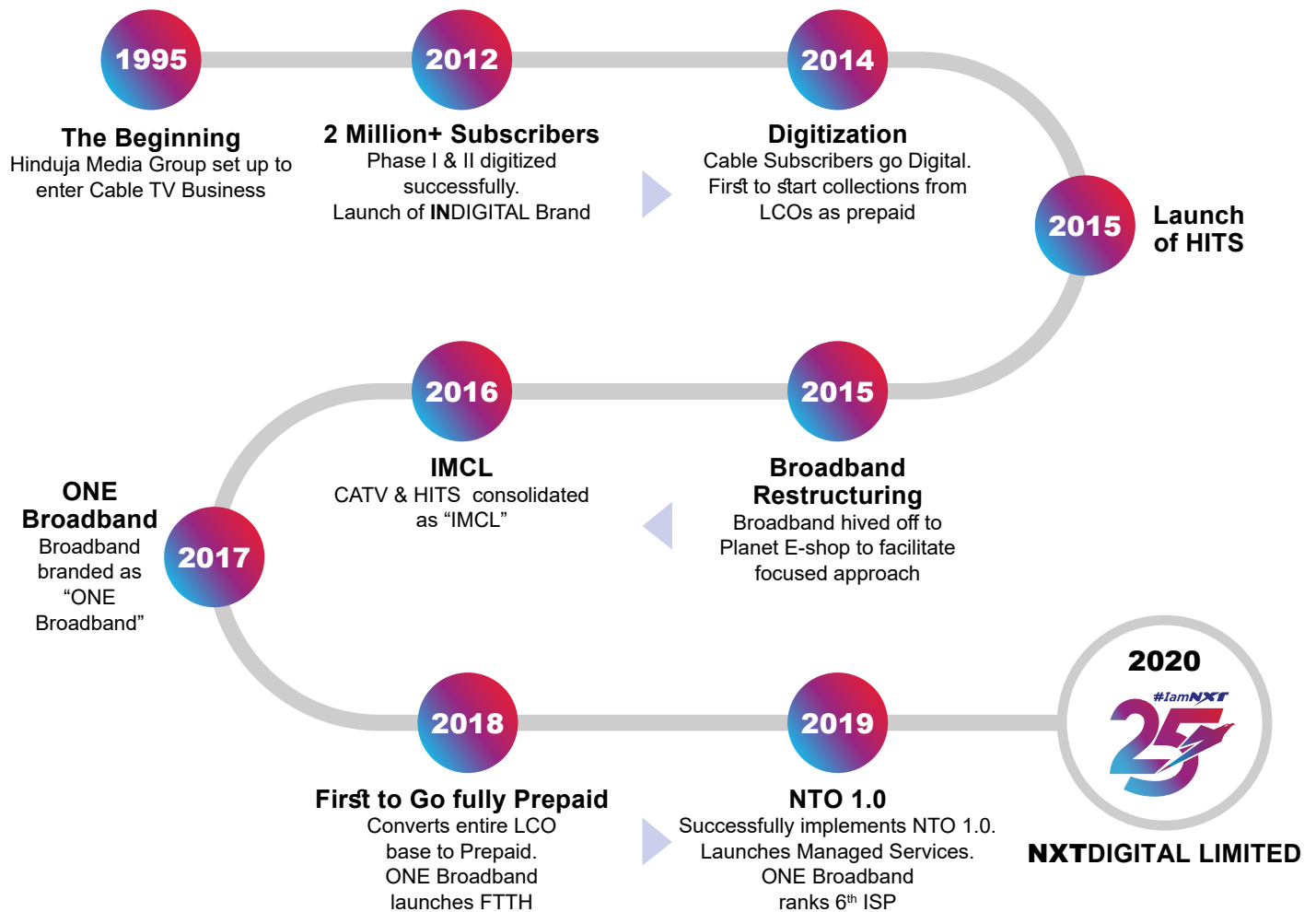
Managed Services

Broadband Services

- Sophisticated broadcasting centre in Noida & data centre in Mumbai
- 80% of LCOs collecting from customers through digital means
- >55% of subscriber base of 5mn estimated to use digital payment
- Focus on KPIs like On-Time & Same-Month Renewal, churn etc.

- Leverage existing CATV customers for increasing subscriber base
- ~70,000 buildings ready for installation
- >300,000 subscribers and a steady growing base under the flagship One GigaFiber

OUR JOURNEY - 25 YEAR LEGACY OF DELIVERING DIGITAL CONTENT



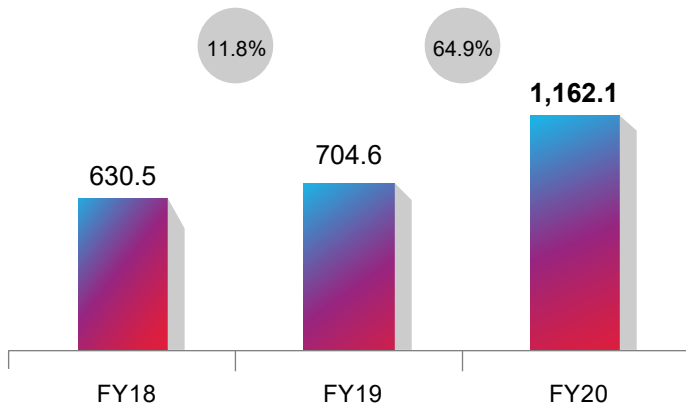
CELEBRATIONS OF 25TH ANNIVERSARY



KEY METRICS AT A GLANCE

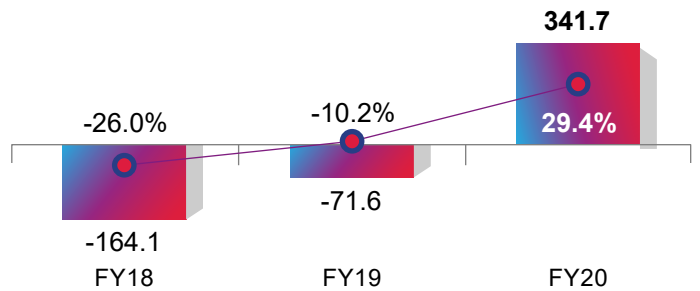
Revenue

(INR Crores)



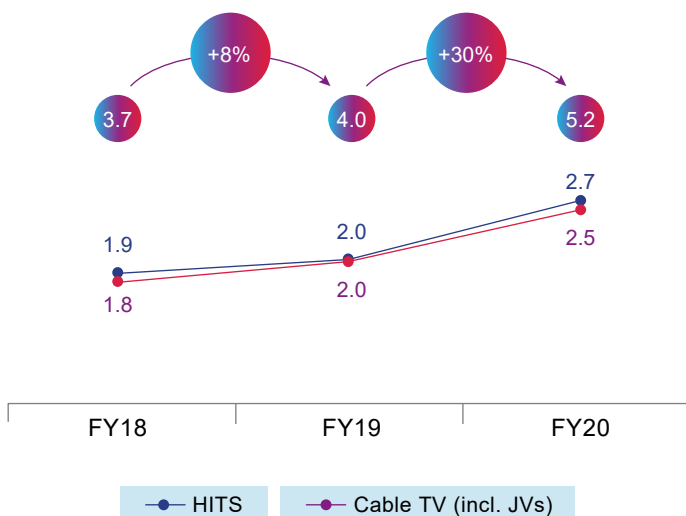
EBITDA

((INR Crores))



Subscriber Base - Digital Content Delivery

(Subscriber base in millions)



Broadband Services

(Subscriber base in millions)

