Date: September 07, 2020

Department of Corporate Services,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Scrip Code: 500189  

Department of Corporate Services,  
National Stock Exchange of India Limited  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai – 400 051  
Scrip Code: NXTDIGITAL

Subject: Presentation at Virtual Meeting on Monday, September 07, 2020 – Q1FY21 Performance of NXTDIGITAL Limited (“the Company”).

Regulation 30(6) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Further to our letter dated September 03, 2020, intimating about conducting of a virtual meeting to discuss the Q1FY21 performance and the road ahead on Monday, September 07, 2020 at 02.00 p.m.

We are forwarding the presentation to be made at the said virtual meeting today at 02.00 p.m.

The presentation is also available on the website of the Company viz. www.nxtdigital.in

Thanking you.

For NXTDIGITAL LIMITED  
(formerly known as Hinduja Ventures Limited)

Ashok Mansukhani  
Managing Director  
DIN: 00143001
The Hon’ble National Company Law Tribunal (NCLT) vide its order dated August 21, 2020 approved the Scheme of Arrangement between IndusInd Media & Communications Limited (IMCL) and NXTDIGITAL Limited (NDL) by which the “Media & Communications” undertaking/ businesses of IMCL comprising, inter alia, the Cable TV (CATV) and Head End in the Sky (HITS) de-merged into NDL with effect from the “Appointed Date” of 1st October 2019.

The Effective Date of the Scheme of Arrangement is August 21, 2020. Consequently, the CATV and HITS businesses are being carried out by NDL on and from the Effective Date.

**Earlier corporate structure**

<table>
<thead>
<tr>
<th>Promoters</th>
<th>Public</th>
</tr>
</thead>
<tbody>
<tr>
<td>NXTDIGITAL</td>
<td>HGL, ICL, AE LLP</td>
</tr>
<tr>
<td>IMCL</td>
<td>OIL</td>
</tr>
<tr>
<td>4 MSO JVs</td>
<td>IEIL</td>
</tr>
</tbody>
</table>

Demerger of media & communications business

- 77.55%
- 71.65%
- 51-70%

<table>
<thead>
<tr>
<th>Promoters</th>
<th>Public</th>
</tr>
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</tbody>
</table>

**New corporate structure**

<table>
<thead>
<tr>
<th>Promoters</th>
<th>Public</th>
</tr>
</thead>
<tbody>
<tr>
<td>NXTDIGITAL</td>
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<td>OIL</td>
</tr>
<tr>
<td>4 MSO JVs</td>
<td>IEIL</td>
</tr>
</tbody>
</table>

New corporate structure

- HITS, MSO, Fibre Assets, Real estate & Treasury
- Passive Infrastructure, technical service division and investment in JVs
- Broadband
- Movie rights, Shop 24x7, CVO & Treasury

AE LLP – Asia Enterprises LLP; HGL – Hinduja Group Ltd.; ICL – IndusInd Communications Ltd.; IEIL – In Entertainment (India) Ltd.; IMCL – IndusInd Media & Communications Ltd.; OIL – ONEOTT Entertainment Ltd.
The Indian Media & Entertainment (M&E) industry has been impacted significantly by the Covid-19 pandemic in Q1.

**Media, entertainment sector revenue could take 16 pc hit in FY21: Crisil**

"The ongoing economic slowdown, made worse by the COVID-19 pandemic, is set to cull Indian media and entertainment industry’s revenue by 16 per cent - or Rs 25,000 crore - to Rs 1.3 lakh crore this fiscal,” it said.

The industry would take a hit of around 18 per cent in revenue from advertisement that accounts for nearly 45 per cent of total income, while the subscription earning that contributes 55 per cent will be relatively resilient with a likely decline of 14 per cent, Crisil said in a report.

**All work, no pay: Cable TV industry struggles to keep head above water**

The sector has been working against the tide to keep locked down citizens well-informed and well-entertained during the pandemic. With payment collections down 84 percent and consumers turning more value-conscious, the industry is fighting a tough battle.

Even as cable operators keep their masts flying high, however, their coffers have been running dry. The report states collections are down 84 percent and the sale of new set-top boxes has fallen 75 percent. That's hardly surprising.

With the country under lockdown, collections have suffered as housing societies ban outside members, including Local Cable Operator (LCO) agents, from entering their premises. Even with the introduction of digital modes of payment, only 50 percent payment is being received month on month.

**77% of cable TV operators expect a decline in revenue in 2020-2021: INTIN Study**

Post lockdown, the study reveals, 77% multiple system operators (MSOs) expect a decline in revenue in 2020-2021. Out of this, 32% of MSO expect the drop to be greater than 25%.

Operators expect a decrease in revenues due to reduction in ARPU as subscribers will try to go to cheaper packs. In order to halt this, broadcasters-cable operators should together launch "targeted consumer offers" using trackable technology.

According to the report, 41% of operators reported that their subscribers deleted channels from packages while 46% operators saw no change. Out of this, demand for news.

**Tata Sky to switch off channels to cut monthly bills for 7 million subscribers**

Not just AXN & Dilli Aaj Tak, 40 more channels could shut down, TV industry fears.

**Coronavirus crisis: Why television industry is bleeding despite record consumption**

Business Today
Innovation in packaging to mitigate demands for “post-paid” and/or “credit periods”; whilst ensuring customer access to quality content at low costs

**1. Accelerated “digital payment” adoption for subscribers**
Focused on helping franchisees (Local Cable Operators or LCOs) go “digital” i.e. collecting subscription through on-line methods.

Partnered with EASEBUZZ (a digital payments mechanism) even before lock-down to support “contactless” subscription renewals between subscribers and franchisees. The service facilitates payments through Netbanking, Credit & Debit Cards, Google Pay, PayTM, UPI and other wallet mechanisms.

Conducted online workshops for LCOs across India - to educate/support transitioning to digital collections.

Current LCO “digital payment from customer” base is ~85% and estimates indicate collection through digital media @ >70% of subscriber base.

Focused on converting Direct Point customers to contactless renewals. Digital payments now >95%.

Engaged LAZYPAY to support customers seeking short-term credit for renewals

**2. Content Innovation & Credit-risk mitigation**

**Innovation in packaging** to mitigate demands for “post-paid” and/or “credit periods”; whilst ensuring customer access to quality content at low costs

Launched lo-risk credit-based “Vishesh Manoranjan Pack” and free “Infopack”

Developed “discounted” Long Duration Recharge offers for popular packs

**3. Implementation of a “Business Continuity Plan”**

Ensured implementation of “Business Continuity Plan” framework across all functions and hierarchies

Implemented L3 processes to keep the technical facilities and technical functions operational 24x7

Re-assigned resources to LCO & customer-facing functions

Set up field & function reporting & monitoring to ensure minimal complacency – as well as take corrective action/measures.

Developing contactless technical support to ensure safety of stakeholders
NXTDIGITAL rolled out a slew of initiatives for both, franchisees (LCOs) and subscribers – to add value during the challenges of the lockdown.
Q1 strategy reflected in strong KPIs

The Q1 focus on retention through the initiatives have helped in ring-fencing key metrics like control of churn and maintaining On-Time Renewals.

Sub. Base - Digital content delivery
(in millions)

<table>
<thead>
<tr>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.58</td>
<td>5.15</td>
<td>5.23</td>
</tr>
<tr>
<td>2.25</td>
<td>2.62</td>
<td>2.63</td>
</tr>
<tr>
<td>2.33</td>
<td>2.53</td>
<td>2.60</td>
</tr>
</tbody>
</table>

CATV  HITS

90-day Net Churn
(Exit point data)

<table>
<thead>
<tr>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1%</td>
<td>1.7%</td>
<td>1.8%</td>
</tr>
</tbody>
</table>

ARPU - Digital content delivery
(Exit point in ₹)

<table>
<thead>
<tr>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>195</td>
<td>166</td>
<td>189</td>
</tr>
<tr>
<td>148</td>
<td>147</td>
<td>97</td>
</tr>
<tr>
<td>105</td>
<td>162</td>
<td>195</td>
</tr>
</tbody>
</table>

DASIV  DASIII  DASII  DASI

Same Month Renewal
(Exit point data)

<table>
<thead>
<tr>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>88.0%</td>
<td>92.1%</td>
<td>89.8%</td>
</tr>
</tbody>
</table>

On-Time Renewal
(Exit point data)

<table>
<thead>
<tr>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>67.0%</td>
<td>75.3%</td>
<td>76.0%</td>
</tr>
</tbody>
</table>

Broadband sub. Base & ARPU
(sub. base in millions & exit ARPU in ₹)

<table>
<thead>
<tr>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹ 381</td>
<td>₹ 350</td>
<td>₹ 342</td>
</tr>
<tr>
<td>0.234</td>
<td>0.300</td>
<td>0.351</td>
</tr>
</tbody>
</table>

All key metrics have continued to remain stable or grow through a Covid-impacted quarter.
Maintaining a robust performance in Q1

The KPI performance is reflected in another strong quarterly fiscal performance, with a continuing growth in top-line and EBITDA

**Operating Revenue**

<table>
<thead>
<tr>
<th></th>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in ₹crs)</td>
<td>228.6</td>
<td>227.1</td>
<td>234.8</td>
</tr>
</tbody>
</table>

**EBITDA**

<table>
<thead>
<tr>
<th></th>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in ₹crs)</td>
<td>49.1</td>
<td>25.2</td>
<td>50.4</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>21.0%</td>
<td>11.0%</td>
<td>21.0%</td>
</tr>
</tbody>
</table>

**PAT**

<table>
<thead>
<tr>
<th></th>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in ₹crs)</td>
<td>9.3</td>
<td>-43.4</td>
<td>-30.0</td>
</tr>
<tr>
<td>PAT Margin</td>
<td>4.0%</td>
<td>-19.0%</td>
<td>-13.0%</td>
</tr>
</tbody>
</table>

**Subscriber Debtor Days**

<table>
<thead>
<tr>
<th></th>
<th>Q1FY20</th>
<th>Q4FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Average Subscriber Debtor Days)</td>
<td>41.6</td>
<td>0.1%</td>
<td>1.1%</td>
</tr>
</tbody>
</table>
Q2+Q3 Vision

NXTDIGITAL is looking to launch new products and solutions to leverage the onset of the festival season and help customers derive maximum value.

The “NXTGO” solution is an innovative device that can be plugged into an OTT STB or an Android-based television and provide immediate access to “live” television channels - securely.

USB powered pay TV dongle to convert an OTT box into Android+DVBc Hybrid STB

Customers can select “live” TV packages and access OTT content, seamlessly

USB powered pay TV dongle to convert an Android-based TV into a hybrid TV, able to access “live” TV channels

The “NXTLIVE” app gives instant access to the entire bouquet of TV channels offered by NXTDIGITAL!

User interface design & graphics/visuals are for illustrative purposes only. Brand names “NXTGO” and “NXTLIVE” are working titles and may be subject to modification.
Q2+Q3 Vision

Turn any TV into a “smart connected” TV with the advanced “NXTCONNECT” hybrid Set Top Box!

The “NXTCONNECT” STB is a single device for accessing “live” television channels, OTT content, social and other apps, games & much more. **NXTCONNECT** is a next-generation device serving as a “central home media hub”; and provides a high level of sophistication and interactivity for information and entertainment.

User interface design & graphics/visuals are for illustrative purposes only. Brand names “NXTCONNECT” and “NXTLIVE” are working titles and may be subject to modification.
“M-SAATHI”…. A Cloud-based mobile app to allow customers to gain easy access to local services in their community, managed by NXTDIGITAL franchisees.

The solution is designed to provide a new revenue stream for our thousands of franchisees (LCOs) across India - in line with our Hinduja Group principle of establishing “partnership for growth”.

The proposition is to jointly create a “Neighborhood Marketplace” enabled by mobile app so that a consumer can access local merchants

The objective is to build a strong ecosystem of local merchants around the LCO – connecting merchants to consumers, seamlessly.

Service will also be used by franchisee for “contactless” collection of cable TV or broadband subscriptions; and upselling new products and solutions.

User interface design & graphics/visuals are for illustrative purposes only. Brand names “M-SAATHI” and “NXTLIVE” are working titles and may be subject to modification.
Annexures
## Consolidated Income Statement

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q1FY21 (₹cr)</th>
<th>Q1FY20 (₹cr)</th>
<th>YoY growth (%)</th>
<th>Q4FY20 (₹cr)</th>
<th>QoQ growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating revenues</td>
<td>228.5</td>
<td>222.3</td>
<td>2.7</td>
<td>215.2</td>
<td>6.1</td>
</tr>
<tr>
<td>Non operating income</td>
<td>6.3</td>
<td>6.3</td>
<td>-</td>
<td>11.9</td>
<td>-47.0</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>234.8</td>
<td>228.6</td>
<td>2.7</td>
<td>227.1</td>
<td>3.4</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broadcaster costs</td>
<td>83.2</td>
<td>83.8</td>
<td>-0.6</td>
<td>83.2</td>
<td>-</td>
</tr>
<tr>
<td>People costs</td>
<td>20.1</td>
<td>18.6</td>
<td>7.9</td>
<td>19.2</td>
<td>4.6</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>81.1</td>
<td>77.1</td>
<td>5.1</td>
<td>99.5</td>
<td>-18.5</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>184.4</td>
<td>179.5</td>
<td>2.7</td>
<td>201.9</td>
<td>-8.6</td>
</tr>
<tr>
<td><strong>EBIDTA</strong></td>
<td>50.4</td>
<td>49.1</td>
<td>2.6</td>
<td>25.2</td>
<td>99.0</td>
</tr>
<tr>
<td>Depreciation</td>
<td>49.0</td>
<td>45.3</td>
<td></td>
<td>53.9</td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>36.2</td>
<td>24.3</td>
<td></td>
<td>32.5</td>
<td></td>
</tr>
<tr>
<td>Extra-ordinary income</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>-34.8</td>
<td>-20.5</td>
<td></td>
<td>-61.2</td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>-4.8</td>
<td>-29.8</td>
<td></td>
<td>-17.8</td>
<td></td>
</tr>
<tr>
<td><strong>Profit after tax</strong></td>
<td>-30.0</td>
<td>9.3</td>
<td></td>
<td>-43.4</td>
<td></td>
</tr>
</tbody>
</table>
Headend-in-the-Sky (HITS)

- The LCO can go digital within 24 hours anywhere across India by simply installing a proprietary Cable Operator Premise Equipment (COPE)
- Does not require to be connected to any fibre etc. and is not affected by weather conditions
- No additional technology or satellite capacity is required to add subscribers leading to low Customer Acquisition Costs
- Signals are received directly from satellite, irrespective of the location of the Local Cable Operator (LCO)
- Low maintenance COPE system consuming low power and occupies less space making it attractive for LCOs
- Technology compliant with DAS and NTO regulations

HITS technology enables seamless Digital TV penetration in even remote areas in cost-effective manner and offers sizable network sharing opportunity.
<table>
<thead>
<tr>
<th>Parameter</th>
<th>HITS 1 Operator - NXT</th>
<th>Cable TV &gt;1,600 MSOs</th>
<th>DTH 4 Operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pan-India reach</td>
<td>YES : Satellite footprint across India+</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>Weather resistance (rain attenuation)</td>
<td>YES : Service in C-band</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Unaffected by fibre cuts, hostile terrain</td>
<td>YES : Delivery via satellite so zero dependence on terrestrial issues</td>
<td>Challenges of fibre cuts as well as hostile terrain</td>
<td>YES</td>
</tr>
<tr>
<td>Channel expansion + addition of Value-added Services without significant capex</td>
<td>YES : Unique tech. to add channels at low cost</td>
<td>Requires investment in main head-ends</td>
<td>Capacity constraints as same satellite required</td>
</tr>
<tr>
<td>Ability to provide Managed Services</td>
<td>YES : System designed to provide managed services with multiple tech. combinations</td>
<td>Highly limited to area of operation only, requires addl. costs</td>
<td>NO</td>
</tr>
<tr>
<td>Easy installation for MSO/LCO</td>
<td>YES : Specially designed single-unit COPE</td>
<td>Requires investment and timeframe</td>
<td>N/A</td>
</tr>
<tr>
<td>Low franchisee + subscriber addition cost</td>
<td>YES : Can expand to any geography</td>
<td>Limited to area of operation only</td>
<td>NO</td>
</tr>
<tr>
<td>Digital services provisioning</td>
<td>YES : System designed to function as a “connected” platform</td>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>

NXTDIGITAL being the only HITS platform in the country enjoys significant competitive advantage
NXTDIGITAL: India’s premier integrated digital distribution platform

Delivering services through multiple avenues

Digital Content Delivery
- 25-year legacy of delivering digital content services via HITS and Cable TV as a Multi Systems Operator (MSO)
- 700+ TV services across India through HITS
- 730+ TV services in 100+ key cities through Cable TV
- Total Subscriber base of >5.23mn on HITS and CATV

Managed Services
- Only platform to offer Managed Services to other MSOs and LCOs nationwide
- >5.16 mn subscribers under executed managed services contracts – onboarding commenced
- E2E technology Infrastructure provided to MSO customers leveraging HITS

Broadband Services
- >5,000 kms of Underground & Overhead optical fibre networks delivering high speed internet and FTTH
- Broadband subscriber base of >350,000 users
- ~70,000 Buildings Ready for Installation

>60% subscribers from fast growing segments of semi-urban and rural India

Presence in over 1,500 cities and towns across India with >30,000 feet-on-street
Our CXO Team

Ashok P Hinduja, Non-Executive Chairman & The Hinduja Group
- Chairman of the Board who also chairs Hinduja Group of Companies (India) and IIHL (promoter of IndusInd Bank) among other group companies
- The Hinduja Group, founded by P.D. Hinduja, has a history of over a century running successful businesses across sectors such as Automobiles, Oil & Gas, Media, BFSI, IT & ITES etc.

Vynsley Fernandes
CEO
- Veteran of the Media & Entertainment industry with 30+ years of experience
- Hands-on experience with DTH & HITS platforms, digital cable networks, and news & entertainment channels
- Formerly led assignments across organizations like Star India, 21st Century Fox & TATA SKY

Yugal Kishore Sharma
CEO, OIL
- Masters in International Marketing from IIFT
- 26+ years of experience in the technology space
- Extensively worked across the internet service provider (ISP) industry
- Formerly led assignments across organisations such as DEN Networks & Tikona

Amar Chintopanth
CFO
- Chartered Accountant with an experience of 36+ years across areas of Audit, Finance & Accounts, Taxation, Treasury, Compliance, Business strategy, M&A, Capital raising etc.
- Has served in coveted corporates such as the ITC Group, Polaris, and 3i Infotech & has been with the Hinduja Group since 2014

N K Rouse
COO
- 33+ years of diverse experience; Has served at Star India, YOU Broadband, Hathway Cable & Datacom

Ruwanmali Ediriwira
CTO
- 20+ years of experience in the TMT space; led some of the biggest technology projects at Vodafone UK and Accenture Europe

Ajay Sharma,
General Counsel
- Over 3 decades of legal experience, with much of it in media and allied laws; Ex-Arthur Anderson, Star India

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CEO, OIL
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